



THE IRISH
ENTREPRENEUR
ROLE MODELS
FOR A NEW IRELAND

04

Philip Martin

Cora Systems Ltd

Philip Martin

Cora Systems Ltd

Bringing Vision to Project Management

Philip Martin sat pensively at his office desk early one summer morning in 2006. He had been in the office since 7 a.m. and had already held a team briefing with his colleagues and spoken with an important potential client in the UK. Occupying his mind now was the presentation he had been asked to deliver at the offices of the local Enterprise Board. His close relationship with the Enterprise Board staff and his keen sense of community drove him to consider this task very seriously. He certainly did not mind giving such talks but was anxious to deliver as much value as possible for the audience – a group of aspiring entrepreneurs.

What would he say about Cora Systems, the company he had founded in 1999 with his wife AnnMarie, that his audience would find interesting? How would he describe himself? He was listed on the programme as an entrepreneur. What could he say to live up to this fashionable, but somewhat embarrassing, label? What had happened in the last few years that could provide support for his status as an entrepreneur? What he did remember vividly was the hard work, the long hours, the problems, disappointments, the satisfaction of success in Ireland and now, the compelling need to carve out a place in the promising, but challenging, UK market.

Philip's background and early career

Philip Martin was born into a farming family in Carrick-on-Shannon, County Roscommon. There was no family history of business as such, but growing up on a farm meant that there were always jobs to be done. *"You can't be afraid of work when you live on a farm. There's no shortage of jobs there. I was given lots of things to do and was used to taking responsibility for things."* Although he liked school and enjoyed sports he was not particularly interested in studying. Both farming and Gaelic football have remained close to his heart and he feels that some day in the future he may want to run a farm. His youthful farming days did bring one memorable entrepreneurial experience. When he was twelve, during the summer school break, he grew lettuce from seed, nurtured the plants carefully, transplanted them as required, boxed them for sale and took them the three miles into town on his bicycle. One day, while carrying his box into a shop where he hoped to make a sale, a lady saw the lettuce, liked the quality, and took some from the box to buy. However, after a period, he found that he was unable to compete with imported lettuce that was being sold at half his price. Philip recounts this episode in his life with a smile. *"I learned two important things from that lettuce experience when I was twelve; one was about product quality and the other was about international competition."*

When Philip eventually left school he went to the RTC in Sligo to study electronics. He spent two years there and then moved on to the University of Ulster, Jordanstown to do electronic engineering. He claims that, *"it was at UUJ that, eventually, I really had to study properly."* Philip still maintains links with his friends from the RTC days. Of the 28 students in his class there, only two went on to complete degrees. Twenty six went to the UK to work and some are still there. Jobs were not easy to come by in the 1980's. In fact, this was one of the reasons he chose to study electronic engineering. *"My brother was an engineer so I suppose that was an influence. However, there was also some certainty of finding a job in Ireland if you were an electronic engineer."* His time at university was fruitful and he emerged with an honours degree in Electronic Systems.

In his third year at UUJ Philip had worked in Denmark with Alcatel, a major French telecommunications manufacturing company. Thus, his earliest professional experience as an engineer was in the telecommunications industry. Following his fourth and final year in UUJ he continued in this vein and, over the next nine years, worked for Tellabs in Shannon, 3Com in Dublin, DSC in Drogheda and Pulse Engineering in Tuam.

Emergence of the idea

His knowledge of computer systems and user requirements developed rapidly while working with these companies. In particular, he developed his expertise in a number of key areas, namely, product and systems testing, data collection and reporting processes. Clearly, testing is a critical process in the development cycle of a product or system. Testing confirms whether a unit is functioning to its intended specification – actually doing what it is designed to do. However, testing is also a time consuming process, so any efficiencies that can be realised have a considerable impact on "time to market." *"At 3Com we were constantly trying to shave time off testing. We would collect data from numbers of test stations and analyse it in detail, always looking for opportunities for improvement."* In addition, he became thoroughly conversant with what is known as the 'client server' environment. This technical term refers to a computer topology in which services, applications etc. are delivered from a computer known as a 'server' to users working on PCs called 'clients'. During this time he developed many reporting processes – software which would run certain processes to ensure that the required data is gathered and delivered in appropriate formats to authorised users. Such reporting processes are central to many businesses, providing 'mission-critical' information in areas such as financial management, product development, logistics, and CRM (Customer Relations Management). Furthermore, it is often necessary to compile an overall company-wide report by amalgamating many separate reports from different divisions or units in the organisation. Consequently, the reporting process can be extremely time consuming. In response to this challenge Philip produced a software programme which reduced the time required significantly. These experiences sowed the seeds for his future vision and he secured a feasibility grant from the Roscommon Enterprise Board to enable him to conceptualise a potentially commercial data reporting system.

The start up

In the meantime Philip married AnnMarie Burke. Although they had both been raised locally, they had not known each other until they met at a disco in Carrick-on-Shannon. At this time they were living in Oldcastle, Co. Meath and he was working in Drogheda while she was teaching in Granard, Co. Longford. When he moved to Pulse they rented an apartment in Carrick-on-Shannon but he still had to undertake a one hour drive to work each day. *"We were married in '98 and I was working long hours and commuting every day from Carrick to Tuam; not exactly a recipe for a successful marriage."* His data collection expertise brought the offer of some private contract work but this put additional

pressure on his life at home. When he was subsequently offered the opportunity of two reasonably large contracts he felt that it was time to make a decision. *"On the basis of these promises I decided to make the jump. It was risky and in fact one of the offers fell through, but at least the other one didn't."* Confident that their idea had potential, the couple decided to set up a company and go all out to exploit the possibilities offered by data collection. Where did the company name come from? He remembers its evolution clearly. *"Our first shot at a company name was Superior Solutions but we really didn't like the name much and I'm now glad that we didn't stick with it. AnnMarie finally came up with Cora from the Irish for Carrick-on-Shannon, Cora Droma Rúisc."* Cora Systems was incorporated in 1999 with Philip as MD and AnnMarie as Finance Director.

An opportunity in the crowded field of Project Management

Philip had spotted his opportunity but why did he believe that this opportunity offered any fruitful possibilities? After all, the concept of project management was not new and management thinkers have been offering models and solutions for decades. The line of management thinking can easily be traced back to the late 19th century. Thinkers such as Frederick Taylor (the father of scientific management) and his colleague Henry Gantt (of Gantt Chart fame) were followed by many others across the decades, as management and organisation theorists attempted to analyse and model the problems of organising complex work. Network diagrams such as PERT charts to trace the flow of activities, and concepts such as 'critical path', came into common use. The advent of computerised versions of such tools offered more scope to project managers enabling them to handle vast amounts of data and to produce customised reports with charts and graphics. Today, there are numbers of such computer applications of varying degrees of sophistication. Probably the most commonly known is Microsoft Project. Many others are industry specific packages designed for use in specialised areas such as complex construction projects.

Notwithstanding this range of theories, tools, techniques and software, organisations still grapple with the need to integrate work across multiple departments and different professions in order to achieve a cohesive output. The central issue is one of complexity – many different people doing many different things, often in many different places, poses a serious challenge of integration. This is the key to Philip's insight. He was sure that his data collection knowledge could be harnessed to provide a viable and flexible project management tool. He also consulted with project management training companies, potential customers, and with anyone

else who could offer ideas. *"I talked to as many people as possible to find out what their requirements were. I tried to incorporate these into the design and figured out what the product should do. I wanted a product that was flexible and could meet all requirements."*

Philip claims that all businesses need a 'lucky break' but *"that lucky break is determined by the work you do beforehand."* He was introduced through his contacts to his first potential customer, a local authority. When he first demonstrated the product they didn't like it and suggested many changes. He made those changes and completed his first sale. This was a key moment for him. *"Getting it right entailed a huge amount of product development, but we then had a product we could offer to the whole local authority sector."*

Further development

ProjectVision is now a suite of products which addresses all aspects of project management – scoping, issue management, change management, risk analysis, reporting etc. Furthermore, the software does not have to reside on the client's network but on a Cora server which is accessed by the client via the internet using a standard web browser. Therefore, the client does not have to undertake any software maintenance. In addition, the suite is modular which allows a client to use only those modules necessary for the particular project involved. Philip considers this to be a major USP (Unique Selling Proposition).

To get to its current level of sophistication, ProjectVision has been through a lengthy development process. Since its first edition, the product has been completely rebuilt using 'dot net' (.NET) development tools. The use of this leading edge technology means that ProjectVision can be 'rented' to customers who access it across the internet instead of being purchased for installation on the customer's computer. This process took three years to complete.

Philip, however, does not view Cora Systems as merely a software sales company. He wants his clients to see him and his colleagues as technology partners. The client purchases a service but also gets a partner who will assist in all related matters.

In order to cement this relationship, Cora Systems provide project management training programmes for clients. The trainer acts as a facilitator to a group of key project staff, taking them through processes such as planning, identifying roles, allocating responsibilities, defining tasks, assessing costs, identifying problems, defining reports etc. The programmes are designed to help the client organisation get business-critical projects up and running. Basic training is also provided for those users with little or no experience of ProjectVision.

Such users learn how to navigate the system and understand its functionality.

Market share statistics are not available for the Irish market but ProjectVision can claim a leadership position since it is now used by all Irish local authorities, Cora Systems having recently won a prestigious contract placed by the Department of the Environment. This success illustrates the robustness of the company's product development process since the contract was won against stiff international competition.

Getting the needed funds for a new business

Philip is quite clear on his views concerning finance for a new business. *"When it comes to raising money you are between a rock and a hard place. You need the money but have to give something away to get it. You can always decide not to let others in and own 100% of something small if that's what you want."* He also feels the legal costs associated with setting up share agreements can be quite onerous for a new small business. *"We should make money available to the right people and reduce the paperwork involved. It's important to have business start-ups."* Nevertheless, he is impressed with the range of supports that are in place for new businesses. He had received an initial feasibility study grant from Roscommon Enterprise Board and then some employment grants and training courses. He was also able to use the Enterprise Ireland seed capital scheme. He eventually received some venture capital from Enterprise Ireland and the Western Development Commission. Both organisations hold Cora System shares. Philip warns that any business looking for money from venture capital organisations must be prepared to answer some hard questions. *"VC people can ask very different questions that you may not be expecting. I had done a lot of development prior to looking for funding but VCs asked 'why aren't you selling' whereas I felt that I needed money so that I could do some marketing and make some sales. But I was able to show that I had some customers and to demonstrate that I believed in the product. Enthusiasm for your own product is a feature that is taken into account by funders. Of course, I could also show them the business plan which was thirty pages, but really only two or three of these are important. In fact, a plan that is only two or three pages is more likely to be read!"* Even with these welcome supports, the young company still had to struggle to survive. *"Believe me, you learn all about cash flow very quickly when you start a small business."* At that time, Philip was not paying himself any salary, so both were living on AnnMarie's teaching income.

Working with the team

They were soon joined by Pat Henry, a previous colleague, who took up the role of R&D Manager. In such a small group the entrepreneur is likely to be involved in all aspects of the business but, as the business develops, it becomes more difficult to maintain a hands-on approach. Letting some things go proved to be quite difficult for him as Cora Systems grew to where it now employs fourteen staff. *"I like to be involved in everything but I have had to learn to involve others and to motivate them. Delegation is a serious challenge for anyone who likes to do everything themselves. I was almost afraid to delegate but you can work very long hours as a result of not delegating. I am working hard at it."* He seems quite concerned about this move to a more detached managerial stance. He sees this issue as closely related to feelings of trust. Trust is highly important to him and he states that he needs to be around people whom he feels he can trust. Long term relationships are also very important to him, as illustrated by the fact that he and Pat had worked together on two previous occasions.

He also believes that it is necessary to be sensitive to the feelings of others. *"I think I am good at working with others. I think the ability to sense people's feelings is a definite strength. It helps you to communicate better with staff and customers. You learn where other people are coming from. The jargon that people use varies from sector to sector and you must be able to listen. You have to respect where others are coming from."*

For Philip, this is all a matter of good communication skills, whether applied internally or externally. He believes that listening to customers has been the key to much of Cora System's success to date. Accordingly, he values personal networking highly.

He also believes in listening to, and acting on, good advice. In fact, he says, advice should be actively sought from the right people. Consequently he has developed strong links with certain mentors.

Philip has no doubt about the necessity for personal support and sees his team as an important feature in this respect. In particular he says that, *"AnnMarie has been instrumental in the success of Cora Systems. She is financially astute and watches the money very closely. I recognise that I still don't have a financial brain but I am improving in this respect."* Does this mean that there are a lot of disagreements on expenditure? *"No, we have an approach we adopted from the start. We will debate something for as long as it takes and we will then reach a consensus on what to do. AnnMarie is not afraid of risks but she wants a discussion around it. We would always do a SWOT asking ourselves why something would work or why it wouldn't."* Philip uses this approach with other team members to

drive product development and innovation. "Someone gets an idea – often a customer – so the sales team would be involved. Then the idea is often formalised and developed into a product. We also do a brainstorming session about once a month and I would like to improve these sessions even more. You can't be fixed in your ideas; others will have better ones. The R&D team go to conferences wherever they may be held – it is necessary to keep up to date with technological and other changes."

What is an entrepreneur?

Philip occasionally thinks of himself as an entrepreneur because he started something that didn't exist previously. He also adds, "I think an entrepreneur is someone who has the get up and go to start something and the tenacity to stick with it all the way. You have to turn your mind to it. You really need the will to succeed. I want to be successful and I like to see things happening." Thus, he believes that perseverance is a severely underestimated attribute for entrepreneurs. He says he is definitely an independent person and always wants to try something out for himself. He doesn't see himself as a visionary as such, but has definite ideas about the direction of the business. He believes strongly that the vision will always come from customers. However, his most fundamental belief seems to be in the value of hard work and he sees this as his most important characteristic. He has a particular dislike for the common saying 'work smarter not harder' which he finds very irritating. "I don't know anybody who claims not to work smart. Of course you have to be smart, but you still have to work hard and so does everyone around you." If an entrepreneur is someone who is prepared to take risks, then Philip can certainly claim to be one. He gave up a very good job to start Cora Systems, worked with no salary for a long time and doesn't think of his work in terms of a career per se. He also sees himself as very competitive, but not a bad loser. He loves competitive sports and still plays football whenever he can. He also recognises his weaknesses, particularly in the financial area.

In the early days, in the spirit of self development, he undertook a business training programme provided through Enterprise Ireland. The Hothouse programme is a year-long programme supporting 'knowledge-intensive' new businesses. The programme provides business workshops, access to experts and assistance in raising finance. He found this experience extremely valuable. He had never liked sales and had little ambition to become a sales person. His experience with his sales mentor, Andrew McNeile, changed his view. "It was the best thing I ever did. I learned about sales as a process. In the past I didn't like the idea of selling but I have come to see how important it is and to enjoy it. I have discovered that I can do it. I enjoy meeting

people but I never thought I'd go into sales. I learned that sales is a set of things you do and, if you do them well, you can sell. Now, I am learning to manage the sales team."

However, despite his new appreciation of the sales function, he still finds it difficult to source the right sales people. His solution to this problem was unusual. Rather than dealing with various recruitment agencies when looking for new staff, he interviewed a number of them and chose one with which he could build a long term relationship. This has worked out well and reflects his philosophy about the supplier and the customer as partners.

Does he ever have any doubts? "Of course I do, but only for a short time. For me the glass is always half full. Negative thoughts might last for an hour or so but next morning you can start again. I always think things are better than they are."

Starting to export

Philip is now setting his sights on the local authority market in the UK. He employs a sales person in Scotland and has recently engaged a second one in England. He is confident of making an impression on the market in the UK, a confidence well founded on provable product quality, a strong base of satisfied customers in Ireland and also some early success with a local authority in the UK. He says that, "the UK challenge is different with a lot of unknowns. It's easy to get to the UK but it takes time and effort. It is also a different culture to sell into. For example, they give you a direct answer very quickly. There is also more competition there."

Some advice for aspiring entrepreneurs

Philip is absolutely clear about what kind of advice he would offer those who are thinking of a start-up. He cites six critical points, five in the form of questions.

- Have you got a product or an idea?
- How good are your contacts?
- Do you want to learn sales?
- Can you get finance?
- Do you have realistic plans and the time to realise them?
- Make use of good mentors, take on board what they say and act on it.

These points reflect his personal experience with Cora Systems. His 'lucky break' arose from his contact network. He had to learn all about sales techniques. He secured finance at key times from several sources. He has learned to delegate well and, hence, to manage his time effectively and has had good experiences with mentors. He also reiterates the need to be realistic about targets.

"Once you set them you will be expected to deliver. Set reasonable ones and make sure you meet them. Pay staff properly. The costs of recruitment can be high."

What does the future hold?

Philip now views the development of Cora Systems as occurring in clear stages. First he had to make a sale in Ireland. He then had to develop a management team in order to grow the company. He has now consolidated a strong domestic client base within the Irish local authority sector. From this relatively stable position he is now looking at the next obvious market, the UK. However he also recognises that there are other possibilities for growth. One of these would be targeting other sectors in Ireland where project management is a big issue. This is a common dilemma for a company seeking growth with limited resources. Currently, he is also experiencing difficulties finding good .NET developers in Ireland, a serious issue for a company whose products are based on this particular technology. Nevertheless, he does not subscribe to the increasingly common practice of exporting development work. *"I don't agree with exporting development to India for example. It might be cheaper but you lose control and quality. Our developers spend time with customers in order to understand their requirements and this generates customer satisfaction."*

Philip predicts that Cora Systems will grow from fifteen to thirty people next year. He expects to have achieved a strong presence in the UK because local authorities are key players in project management there. He will then look at moving into another sector, focussing initially on the pharmaceutical sector. The company has doubled its revenue for each of the last three years and expects to do so again this year. When asked about his contribution to these achievements Philip defines it as *"enabling and deciding priorities."*

A good story

Now, as he sat at his office desk, considering the presentation that lay ahead, his mind wandered back to the early days before they moved to the current location. He, AnnMarie and Pat were the only employees and they were working from an office in the Martins' house. They had just made a pitch to a local authority through the auspices of the Roscommon County Enterprise Board and were waiting for reactions. Since then, a lot of things had happened, a lot of work had been done and much had been achieved. Perhaps he could tell a good entrepreneurial story after all.



www.agservicesgroup.com



www.enterprise-ireland.com

¹www.researchandmarkets.com/reportinfo

Industry Profile

The Project Management Software Industry

Figures for the value of the project management software industry are difficult to establish and verify. Project management software is often considered as a subset of the larger business services software sector which, in turn, is a subset of the overall software industry. Furthermore, many products not specifically designed for project management are actually used for that purpose. Well known examples are calendaring and spreadsheet products. An additional complexity is the fact that business software products may be designed for individual or collaborative use and for desk-top or web access. Philip Martin views the market as comprising three categories – low end, with little functionality and prices around €50; mid range, with more, but limited, functionality and prices in the €500/€600 range; high end, with rich functionality, capability for integration with other products, and higher prices. Cora Systems claim to occupy a position in the mid-to-high range. The value of the UK market has been forecast to reach some €11bn in 2008¹.

Company Details:

Company Name: Cora Systems Ltd

Address: Carrick-on-Shannon, Co. Roscommon, Ireland

Sector: Project Management Software

Shareholders: Philip Martin, AnnMarie Burke, Enterprise Ireland, Western Development Commission

Turnover: €2.5m (approx.)

Staff (including founders): 15

Established in: 1999

Main Products: Multi-functional web based project management software

Website: www.corasystems.com