

# Being the CEO of a PHP Consulting Company

By Ashwini Rath

*Some criticise the skills of a CEO as “jack of all trades, master of none”, and others attribute the success to mastering this skill well. So, what is my experience? Please read on.*

As global economy has reset and knowledge industry is undergoing a phase of consolidation, the role of CEO in a company is critical in terms of leading the team in this difficult period and of preparing the company to meet future challenges. Moreover, creating products with PHP and doing business around this open source technology has always been an interesting journey. In this article, I shall share my experience, and shall discuss my effort to enable my company to meet the above two goals; of course, the human side in the whole process.

## How I Started?

Before I joined the current company as the CEO in January 2008, I was in a different company in a position that was equivalent of that of a CTO. The new assignment created both a sense of added responsibility and also certain concerns. The circle of my influence in the current company did increase, and so did the power of decision-making. On the other hand, I was no longer feeling the same as with my earlier technical engagements. I had to look after all departments.

Initially my job appeared to engulf my entire day, and seemed to leave no scope for my private life. But I gradually became careful in planning my time and delegating different tasks. As everybody looked upon me for all important matters in the company, I started working hard to make sure that they are not disappointed. In fact, it has been a significant learning experience.

## Managing Basics

At the personal level, the task of managing company affairs requires good time management and appropriate delegation of responsibilities. It requires dividing working time into overseeing operation, development, and marketing effort apart from giving special attention to customer support. Though these can overlap, a sensible quick decision does ease the situation.

Managing financials for me basically means keeping a tab on cash flow – monthly revenue and expenses. A monthly budget with strict weekly payment schedules eases burden on office administration – this includes staff salary, vendor payment and rentals. A look at the expected revenues in the upcoming months helps in decision-making.

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I make it a point to hold our weekly meeting on Monday to discuss operational issues with other staff members. We discuss progress during the previous week, and plan for the current week. The weekly tasks are framed keeping a view of broader plan in the quarter, which in turn comes from our annual plan.

## Communication Is Key

Communication within company and with customers and vendors is very important for our success as an organization. Information must flow seamlessly between different people. Open communication helps reducing collision effect within team (a normal phenomenon when a group of people work and spend time together in a limited space). In fact, it also boosts productivity and innovations. Any blockade of information flow, intentional or non-intentional, creates issues which grows with time. I shall cite an example to illustrate this point:

Initially, we had posted a list of holidays on our website, and we assumed that everybody including all our customers know about our unavailability on those particular days. However, we noticed that a few customers having running projects buzzed on holidays asking for status – they never check the list on our website. A concern followed as they received the response next day – turn around time seemed to increase for them! When I discovered the cause, I

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made it a rule that we send an informal note to all our customers just before a holiday stating our unavailability on such day and a link (mostly from Wikipedia) with details of the occasion. This greatly helped our off-shore customers who may not be aware of such holidays in this part of the globe.

For communicating with teams located remotely, we use different collaboration tools like Citrix meeting tool, Skype, etc. Our belief of appropriate use of tools and their effectiveness in achieving high level of communication has led us to use certain tools based on the advantages they provide. A chat content aggregator has helped us to archive communication content into our knowledge base. However, I always recommend against using electronic chat for communication among team members in-house. I stress on this point as it requires people to move (a simple physical exercise!) in a work environment that requires them to glue to their desktops.

## PHP, PHP and PHP

With a number of PHP consulting companies mushrooming around the globe, there is a constant demand to lower price of services from new customers. When we delved into this aspect, we found only one way out if we would like maintain the same level of quality in our offerings: adopting automation in the development process. This is the only alternative if we don't want to lower the quality as that will push us to lose business altogether.

Our emphasis on reducing development time and achieving bug-free deliveries has led us to invest a significant chunk of our revenue for creating generic libraries and components. In fact, we use these libraries and widgets as macro-level components during the development of our own products and to develop web applications for our customers. We also created a PHP development framework, called Opendelight ([www.adiipl.com/opendelight](http://www.adiipl.com/opendelight)), and made it open source while showcasing it as one of our products. In fact, this effort created a major opportunity for us to focus on understanding and implementing the exact business requirements rather than working on routine code management. On the other hand, the code reliability increased due to our consistent effort to improve the libraries and framework.

While building our libraries, we embarked upon an issue of protecting the libraries from piracy. Also, it was a task to convince customers about encoding source code. We decided on two different pricing for this - a decent price to be charged for products which will be sold as open source, and a comparatively much lower pricing was set if customer agrees to buy products with encoded libraries. Both sides were now happy people!

In spite of recent economic downturn, it is interesting to note that technology arena looks still young with a huge scope for innovations and possibility of progressive transformation to business solutions. Like major enhancements to UI of application happened with the use of AJAX, the scaling of application has become a reality with cloud computing. Its adoption in our products plan has given us some early opportunities.

It is no doubt that the proficiency in technology implementation has been my strength even though I also oversee the other aspects of company affairs. I find it extremely important to have a well-managed development environment with skilled people to deliver good quality products in time. A neat set of development practices and detailed guidelines to developers are also needed.

## It's about Team

Effort of everybody starts at a personal level and culminates into success if it syncs with the team's objective in company. This belief has triggered a few steps for regular skills management process and regular seminar-like technology discussion within the team. It is always satisfying to see people with diverse skills and background delivering a consistent service to customers.

The team in a PHP consulting company consists of people with diverse skill-sets. There are PHP programmers (obviously!), UI programmers with specialization in HTML, JavaScript and CSS, creative specialists (with expertise in

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graphics and multimedia), content developers and SEO-professionals. Some of these skills may not be mandatory, but do add significant strength to the team in terms of value-add. Also, I emphasize on cross-skills like a UI programmer should have hands-on experience on photoshop even though there may be a creative specialist sitting next to him.

We also come across situations where our core expertise is not adequate to deliver a particular product to customer. As a matter of principle, we decide on developing such a skill in-house if we plan to expand our expertise to this new area. Otherwise, we tend to outsource (if requirement is one-time). However, the decision to outsource or to develop a skill in-house is critical due to the cost of acquiring new skills and meeting stiff delivery timelines.

The process of team management starts with hiring itself. A consulting company needs professionals who would be providing solutions to customers on demand rather than just providing services. I always equate people with latter focus to a pharmacist and the former one to a medicine specialist. To find such people requires an insight into candidate's background, skills and attitude. A good reference and a couple of long interaction sessions are helpful to identify right people for a particular job.

More strenuous tasks continue after the hiring process to ensure productivity at work, job satisfaction among employees, and consequently higher degree of employee retention. Regular interactions, conducting performance reviews and identifying their weakness or strength, and on-job training are required to build and maintain a responsive team. These are the areas which can have broad guidelines, but require individual skills to manage and to decide.

## Getting Process Work

From the beginning, my emphasis has been on implementing an MIS in the company as the existing excel-based process becomes inadequate to address delays in responding to a change and to take a quick decision. The new system includes a central document and reports repository, a project management system and a customer support system. Achieving the whole process has not been at all easy as new functionalities and modifications to the existing functions would have to be implemented in a scenario where new data get generated daily.

The other most important thing is the knowledge base that is acquired while we work on new technology implementation or adopt a new method to achieve a particular task. We encourage developers to create internal blogs, elaborate actions taken while submitting their task log. A searchable database of these provides us an invaluable asset to enrich our organizational memory. It enables company to face situations boldly that are created due to any change of employees, handling similar issues across different customers, or assembling materials to train new hires.

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Our project process adheres to agile methods and enables us to meet volatile scenarios of managing software projects and never-ending change requirements from customer. This also enables us to meet stiff customer expectation, and at the same time, allows a customer to give their project a safe test drive. We get projects from customers that take from a few weeks to a few months to complete. Customer seeks to see a functional system at each stage, asks for changes to system often to comply to their business processes, and moreover, allows a short period to have the changes implemented in actual applications. In some cases, we have seen customer abandoning a particular project altogether and initiating a new project in its place. On the other hand, there are projects whose scopes change radically during the first few weeks.

We always emphasize on adequate research and prototype creation before building any product, and offer our services towards this direction. However, in some cases, customers have their own team for this and come to us after they decide on something. Thus, there is a great chance of confusion and consequently roadblocks if scopes are

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not specified adequately and change requirements are pushed from day two. We rarely get ideal situation to deal with, but proactive and frequent communication eases to situation. Many a time, it also fills the environment with fun of working against odds.

I have mentioned above about the advantage of adopting appropriate tools for communication. It is always my effort to invest adequately into requisite hardware and software to assist development, and collaboration within the team and with customers. Also, the choice of tools can alter the cash outflow if correctly done. Continual research into various available tools and technologies is necessary to get an edge over the crowd. While we make sure that the main work PC for each person should have all prescribed software with appropriate configurations, separate PCs help in experimenting with different hardware and software configurations.

Recently we obtained the ISO certification for our solutions and services. This provided an added impetus to our effort to enforce standard guidelines and to ensure elaborate documentation of all project and support activities. It may look like another burden as it consumes resources to ensure compliance. However, it has significantly improved our overall productivity and formal information flow within the company.

### **Customer, the King**

Like any company, we have a strong focus on customer relationship management. We always find regular communication in the form of company newsletter invaluable. Apart from regular feedback process that we have established, interaction through social media enables us to be in touch with customer who use such tools. Also, an occasional phone call helps conveying new developments at our end and to know happenings at customer's end. My experience shows post-sales and repeated sales have occurred due to this simple, yet powerful approach. This has also inculcated a great deal of confidence in our customers about our services and enhanced our value as a solution provider.

It is tempting to spend more time in managing operation when things run smoothly and cash flow is normal. However, this is the time when we act on capacity building and spending our resources on innovations. The effort of capacity building becomes a misnomer if we focus only on infrastructure development and increasing the team size; it is rather important that we do experiments with new technologies. I always offer a service on pilot-basis if the technology is new to us. We have not yet faced difficulty in expanding the team with a quick notice due to our well-made recruitment management system and good availability of local professionals. Of course, a quick expansion of infrastructure needs greater coordination with our suppliers.

Executing business development plans off-shore without a strong physical presence is rather difficult. Initially, I had relied on a few local freelancers to carry out marketing on our behalf. My initial experience was not good, but identified a few right people in the course of time. I also decided to undertake extensive online marketing activities including direct mailing, SEO and social media campaign. Today, we have an in-house team to carry out these activities, and in fact, these bring bulk of our business.

During our endeavour to find new customers, we come across many interesting scenarios. I would like to elaborate an incident. We came across a business lead where a small-sized company located off-shore was contemplating on choosing a new development company to complete its Intranet. Our business development manager had one round of chat with the owner of the company, and so I knew the difficulty ahead in convincing that we shall be good for them. We signed NDA and decided for an online meeting. The gentleman browsed the entire application quickly on the remote desktop to give a feel thereof. I also got a chance to look at the files, and could find the broad architecture of the application. I was not happy the way application was built.

Behold! The gentleman wanted many small bugs to be removed from the application ASAP and a few new features to be developed quickly. I understood that any proposal for rewriting the application or longer development plan will

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take the project away from us. At the same time, I needed to be upfront by telling the ground reality about his project. I informed him that we can achieve the bug fixes in a week and small but priority features in a couple of weeks. He was happy and told me that they would stick to us if the plan succeeds. As it went, we completed the period successfully by doing the small job, and then I updated him with the list of architectural issues and the effort to be required to streamline program and database issues. He had then gathered adequate trust in us, and did go with my advice. He is a happy customer now! In fact, there is no universal set of rules to convince a customer. However, we need to attend customer's immediate goal first and then to discuss and address bigger issues.

Though our mainstream offerings include strategic consulting about software systems and implementing our products for customer requirements, we also accept a particular activity of a project, for example, the programming task being outsourced to us. Every project provides a new experience and we make sure the knowledge base is updated with our acquired know-how. We even take up several very small jobs during a period when job inflow is less. This short-term effort enables us to maintain a consistent cash flow. However, I was very conscious to limit this number and to make sure that the delivery of these projects adheres to our established quality process. Revision of pricing strategy and value-added offerings time to time cannot be overlooked.

## Personal, Human Side

A seemingly obvious fallout of my assignment is spilling engagements beyond my work hours. Sometimes, it is really needed as most of our customers reside off-shore, and thus, in different time-zones. A practice of working off-hours sometime ago reduced my interaction with my family and friends, and thus created certain amount of pressure on me. However, delegating work appropriately and careful planning of activities have now left plenty of time that constitutes my personal life today. I get opportunity to pursue my hobby too.

During my work, I am forced to take hard decisions often, be it about optimal resource usages, choice of tools (for development and collaboration), staffing or even de-staffing. The decision-making process needs a great deal of care and tactful handling of the situation. The tools for decision-making provide quantitative reports and insights, but my actual decision process has an inseparable human-angle.

## Conclusion

Concluding this article, I would like to mention that mine is still an unfinished stint as CEO. I have a vision and have setup a few ambitious goals both short-term and long-term. Everyday reveals a new aspect of business and new opportunities to explore. I strongly feel that there are a number of skills to be learnt and to put them in use. My experience will grow as we grow as a company. Perhaps I would like write a new article with the same title after a few years from now.

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