



Strategic Growth Programmes in Action

Telamon Systems

 **second sight**
for Business

“The directors wish to accelerate growth whilst maintaining a healthy balance sheet and developing their own capacity to lead”

Telamon Systems

Telamon is a well established supplier of IT Infrastructure to a wide range of clients, including blue chip, small and medium sized businesses and local authorities. With both Microsoft® Gold and Novell Platinum Partner status, the company has a well-deserved reputation for providing innovative, well designed solutions along with the necessary installation services and support needed to maximise effectiveness.

Since 1995 the company had an impressive record of growth and profitability resulting in a secure situation and a strong balance sheet. By 2003 it employed over 20 people and turnover was in excess of £4m.

By 2004 the company offered services in the areas of data storage, storage management, security, integrated identity management, infrastructure and platforms, enterprise project management, directory design, business process management, migration and integration services, and Microsoft® CRM.

The Directors all have technical backgrounds and the ethos of the company is built on the belief that many IT users receive less than optimum infrastructure solutions, because of the failure of their suppliers to fully understand the technology issues. Telamon maintains the highest levels of technical accreditation amongst its staff and the Directors ensure that all infrastructure solutions are designed to optimise performance, resilience, security and usability.

Telamon is privately owned and located in Berkshire, UK.
Website: www.telamon.co.uk

The key issues

One of the company's biggest suppliers was acquired and significant changes to its distribution policies rapidly followed. The new policies conflicted with Telamon's business model and resulted in a 20% drop in revenue. The question now, was how to restore growth and profitability?

ASIA Strategic Planning Methodology™

ANALYSIS

Ambition

The Directors wish to restore their historic growth rates in excess of 20% per annum along with good profit margins. They believe in ensuring a healthy balance sheet as well as investing for the future.

Situation

The company is well established in the IT Infrastructure market, but recently suffered a commercial setback caused by a policy change at a major supplier. Alongside this market the company offers a well established support service. Telamon also operates in several other markets, but to a lesser degree; some of these have been recently entered in order to replace the business lost as a result of the supplier's policy change. All markets currently under consideration are characterised by high technical barriers to entry, and a fragmented competitive environment. Suppliers tend to be strong in these markets. The strategic analysis highlighted a strong need for Telamon to differentiate from its competitors.

Ideas

The Directors had given a lot of consideration to how to develop the company and were not short of ideas. Several of these revolved around building new capabilities onto the ability to deliver and implement complex technological solutions, by moving into the Business Systems market. The problem was how to decide which ones to pursue. The strategic analysis suggested that a niche strategy would be effective.

Action

A detailed analysis of the Telamon's core competences and the competitive landscape revealed a particular combination that provided a strongly differentiated niche opportunity. Telamon's top level Novell, Microsoft® and Identity Management skills are perfectly positioned to assist organisations that need to transition from legacy Novell platforms onto more modern Microsoft® infrastructures. A competitive analysis showed that the only other UK based companies similarly positioned to address this technical need tend to focus on very large clients, whereas Telamon are equipped to address the entire client spectrum.

As a result, Telamon has actively packaged procedures and resources to further enhance the Novell to Microsoft® transition service and have embarked on a promotional campaign with the support of Microsoft®.

This is a medium term strategy, but with instant impact. Longer term strategies can now be developed underpinned by a position that has returned to the strong historic levels.

The benefits of Second-Sight

Telamon engaged Second Sight to assist the Directors in assessing a number of strategic alternatives.

As a result of our analysis and recommendations, Telamon has:

- Adopted a focused strategy, concentrating on its core abilities
- Dropped ideas for a number of new ventures which do not reflect the strengths of the company
- Launched a major new strategy reflecting the company's unique combination of technical ability in both Novell and Microsoft® architectures, which is based on the offer of a migration service to organisations wishing to move from Novell to Microsoft® platforms

Telamon is proud to have received Microsoft's® support in the above venture and is now prominently featured on Microsoft's® web site.

<http://www.microsoft.com/uk/windowsserversystem/windowsserver2003/migrate/novell/partners.mspx>

Within 6 months the company's growth and profitability rates had been restored to their former impressive levels.

Operational Excellence

Telamon was found to be a well run company and there was little need for operational support.

The key operational need was to improve the company's Positioning, so that its many strengths and abilities are more obviously evident to those meeting the company for the first time. This has involved placing greater emphasis on the value of the company's technical expertise, positioning this knowledge as a product in its own right, with clear benefits, rather than the by-product of an equipment purchase.

Leadership Development

The company has three highly competent directors, but, in common with many similar sized businesses, they have tended to neglect themselves and concentrate on working hard in the business. They therefore undertook the Pharos Leadership Development Programme resulting in immediate performance improvements and working practices amongst the management team.



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For further information on planning and achieving growth, the ASIA Strategic Planning Methodology™ and Second Sight For Business, please contact:

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The logo features the words "second sight" in a bold, sans-serif font, with "second" in a dark red color and "sight" in white. Below "second" is the phrase "for Business" in a smaller, italicized, serif font. The entire logo is set against a circular background that is a gradient from dark red to white.

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