

THE NEXT STEP

HOW AMBITIOUS BUSINESSES CAN
ACHIEVE THEIR POTENTIAL



PROCESS NOT AT THE
EXPENSE OF PEOPLE

Interview with Joe Baily, Managing Director
Generate UK



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A report commissioned by SAS Specialist Accounting Solutions considers the biggest challenge for any independently-owned company which has the potential to go further.

The ability of the owners to scale the business.

In their own words, directors talk about the issues they are having to address and how they want to achieve their goals.

The interviews will be brought together as a report to be published by DECISION magazine and then as a digital book.



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“I always think if you treat people well and invest in them, that will be repaid in discretionary effort and how they respond. In a corporate, sometimes it can be easy for that to get lost in the quagmire of process. Of course some form of process is essential for even a one-person business, but a fine line has to be drawn between that being the focus and being able to respond to the customer when circumstances are out of the ordinary. Invariably process can suck out that passion from what is being delivered.”

Joe Baily is talking from personal experience. The co-founder of full-service digital marketing company Generate UK used to work for a large media organisation and found their processes made them too bureaucratic, especially when they were accompanied by office politics which, he says, can be a consequence of being process driven. So he joined a much smaller publicity company where he had direct contact with the clients.

“Of course client companies will have processes and you will need to be able to accommodate them to connect with them and deliver,”



Joe Baily

Baily observes. “The difference is that a small independent company can synchronise process with an agile approach to business and that because of their size, they are able to identify very quickly if something isn’t working in the best interests of the customer and do something about it straightaway.”

Early on Bailey saw his future would lie with digital, so he quit the commute and started work for a local digital agency, getting enough experience to enable him to start his own business in 2008. He brought on board a partner who he felt had the complementary skills the new venture needed. He’d bumped into Mike Robinson when travelling to work and the two of them had kept in touch. “He had the technical acumen, and I was more commercial. He was enjoying the job he was in, so it was a big commitment - for both of us,” Baily explains.

“At the outset, for the first couple of years, it’s about survival. Your decisions are much more intense when it’s your own business because you are thinking about them for twenty-four hours a day.

“We went on to make two acquisitions, in 2011 and 2012 which doubled our size. They came about because we were frustrated by not growing as quickly as we thought we should. We were profitable so we decided we should harness some of that money with the addition of a loan to buy a slightly bigger competitor who we often came up against. Half jokingly I’d sent an email to their owner suggesting he might like to sell the business, and just as I was leaving that afternoon, I got a reply saying let’s talk.

“To make integration work with that first acquisition, we all moved into one open-plan office so we could all be together, otherwise we would have had parts of the business providing similar services but separated



and operating completely differently. Then we talked to each member of staff to see where they wanted to be, and put in place for them a learning programme which would enable them to achieve their goals.”

“I’m a big believer in fate,” muses Baily. “I wanted to build a business which would be agnostic in terms both market sector and the technology we use to deliver, which would be open source where possible. But I knew we had to build up our creativity to the level of our technology skill set, so I began to look for a design company to bring on board. Bizarrely I found one just 200 yards around the corner when their ad popped up on Google. There were only three people in their team and the owner wanted to retire, but they had great clients so we did an asset and goodwill acquisition.”

But then Baily had to re-evaluate ownership of the business he had set up with his co-founder. “At the outset we shared a common goal to build a successful business and to make a reasonable living period but we are very different people and our aspirations parted a bit,” he explains. “Rather like a marriage, a business partnership can go through the bit of a slump. When Mike said he was thinking about moving on, to pursue

new challenges, I knew I had to make it happen as quickly as possible. I remortgaged the house to do the buyout and set about developing a business where the day-to-day operation was not reliant on me. My role is not to deliver the services, it's to grow a business which delivers those services well, having a management team provides the business with a spine.

“Owning the company outright gave me the opportunity to really drive the management team forward in order to be able to promote from within to cover any knowledge and skills gaps. I've always believed if people have potential and you give them the tools, they'll rise up and deliver.”

There is another reason why, when that happens, it's liberating for the owner- manager. “A couple of years ago I felt I was in a good place with the business to be able to go travelling with the family,” says Baily. “My wife and I took the kids out of school and we spent six months going around the world. During that time I still had management meetings remotely, but it was a test for the team to step up to the plate and for me to realise that the business can operate without me.

“I want us to be the biggest independent in the south and we set ourselves goals each year which will move us in that direction. For example in 2018 we achieved the Customer Service Excellence accreditation, which is an interesting credential to have when you pitching against a much bigger company. Accreditation for an independent company puts you above the parapet. Award schemes can be great, but they can also be influenced. An accreditation feels like proof.

“If I'm completely honest with you, we are probably at a crossroads when it comes to what the next big move could be. Another acquisition? What

would be the overriding requirement for me is to make sure it's the right cultural fit. Because of the size we are now, a further acquisition could be make or break in that regard. In the meantime we continue to grow organically."

And looking back, is there any particular lesson he has learnt in building Generate UK? "If I was going to give advice to anyone setting up their own business, I would probably say something along the lines of continually believe in the decisions you are making," says Baily. "Even if they go wrong, you will learn from them. And believe your first instincts. Usually they turn out to have been the right thing to do."

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