

THE NEXT STEP

HOW AMBITIOUS BUSINESSES CAN
ACHIEVE THEIR POTENTIAL



**Compelling way to
delight the customer**

**Interview with Ulf Sandberg
Founder / Managing Director
Paradigm Communications**



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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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In the video, the twelve-year-old daughter of the firm’s marketing manager takes the component parts of a satellite terminal out of its box, clips them all together and has it ready for use in just a few minutes.

It’s a compelling visual demonstration of how Paradigm Communications are able to compete against multinational giants.

“The end-user wants a tool they can easily use,” says founder and managing director Ulf Sandberg. “They aren’t concerned with the workings of the technology. I remember overhearing a conversation, it must have been ten years ago now, between three satcom technical directors who were saying how important it was for users to understand the technology inside out. I thought that’s not right, a satellite terminal should be simple enough to enable someone to use it without knowing how it was made!”

Ulf Sandberg



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Simple is actually the operative word. It means a disaster rapid response team can be dispatched anywhere in the world without the need to be accompanied by a skilled engineer (or to have their skills) because they will be able to put the satellite terminal up in ninety seconds and start filing video reports about how bad the situation is so that the right assistance can be forthcoming. They don't even have to worry about the position of the satellite. The terminal locates that automatically. A lightweight version can be carried on a plane as hand luggage.

So how did Paradigm come up with the concept? "If a business is really focused on the customer it will listen to what they are saying or not saying rather than what it wants to hear," says Sandberg. And, he believes, this is where size matters. He's worked for larger companies, government agencies, as well as start-up businesses. "It's a very different mentality at a big organisation," he muses, "and I realised bureaucracy and internal politics weaken the focus on what really matters, which is the need to keep decision-making simple if you are going to innovate and deliver what the customer wants."

And an early venture provided a useful influence on his approach to business. With a colleague, Sandberg had set up a business which exported refurbished telecom equipment to Asia from a 40,000sqft warehouse in San Francisco. "It was obvious we had too much space," he recalls, "so we rented out what we didn't need as storage units. The return on investment for storage was so much better that we decided to dispose of what had been the main business. What I learnt is that a small firm should have the flexibility to make radical change quickly."

But it was when he went on to work for a large US satellite equipment company to run their EMEA operation that he was able to put something else into context. "Their procedures meant they were really doing what



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A Paradigm receiver / click on image to see rapid deployment video

was best internally rather than for the customer,” he explains. “I knew I could do a better job.”

When he started Paradigm Communication Systems, the first customer was a German bank which needed to set up a satellite-based system to communicate on-screen with each of the far-flung branches it had acquired.

So how did Sandberg and two colleagues set up what was then purely a systems integration business which could compete against the multi-national incumbents? “It’s who you know and your reputation with those contacts,” says Sandberg. “You’re wondering how we were able to compete in terms of resources? We made sure we had good suppliers who were prepared to step up for us.”



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But it's a rocky road as an integrator - the work is project based - so Sandberg's company started to distribute product as well in order to level out the revenue stream. It now has the biggest warehouse in its sector in Europe.

And that led Sandberg to see another opportunity - to plug gaps in the market where appropriate product didn't exist. "The new products we developed were not ones which we were already re-selling," he explains. "Why would we re-invent the wheel unless we could make something which is already out there significantly better?"

In Sandberg's lexicon, challenge has been replaced by opportunity. "There is an advantage in having the buck stop with you," he says. "Because while you have the necessary procedures in place which allows you to move at a particular pace, you can still pull the team together straight away to put something on the table and have a focused discussion about it. There is no delay and it means you avoid defaulting to safe decision-making. In a larger company, someone is more likely to choose the option which is least likely to get them fired.

"But what you really will regret in life is not necessarily something that you have done, but something you didn't. You can spend oodles of time analysing whether to make a particular move, but you don't really know what is around the corner, so why not go for it?"

Which is behind the rationale for Sandberg adding a fourth dimension to Paradigm being an integrator, a distributor, and having their own products - without agonising over the decision. "We used to outsource the manufacturing of the chassis and other components, but after



Paradigm equipment at base camp in the Himalayas

producing the CAD drawings it could take eight weeks for something to be made in the Far East,” he explains. “So we invested in our own in-house manufacturing facility, which means that half-an-hour after completing a CAD drawing, we’re making the parts. Initially we did it for prototyping, but now we are manufacturing product as well.”

According to Sandberg, an owner-manager needs to know their strengths and weaknesses. “From the start I’ve tried to get myself out of as many tasks as possible, bringing better people in to do them,” he says. “You do need to separate ownership from your role in the company. If you consider yourself to be a shareholder, why would you then feel it’s a requirement for you to manage everything?”



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“I have always tried to keep away from admin; everyone in the company should be working with the customer in some way because support functions are the ones which can be outsourced effectively. The key is to focus on the customer and making the maximum amount of time available to deliver what they want.

“I would say the owner manager has to be ‘in’ and ‘on’ the business, making sure the right processes and people are in place, but being able to take one step back or maybe two or three, in order to be able to look to the future and keep an open mind. But as the founder, you feel the need to be directly involved in keeping revenue up, so you can find yourself compelled to continue to work on projects.

“It is understandable because the reason we started the business was because we could see how to make things work better for the customer and that is still the passion. Comic relief needed a satellite link from Africa but only had a week to get everything set up in Ghana. We helped to pull it all together for them and you have a good feeling when you make something happen for the customer in difficult circumstances. So I have no end-game because I am doing something I enjoy.”



Paradigm's offices



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About Specialist Accounting Solutions

‘We strive to give our clients the most reliable, accurate and insightful financial information’, says founder Sean Hackemann. ‘Our passion is to help businesses fully understand the numbers which in turn helps them create, grow and sustain great businesses’.

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Report researched and published for Specialist Accounting Solutions Ltd
by **DECISION magazine**
www.decisionmagazine.co.uk



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