

Accelerated Development

By Thomas O'Beirne

Corporate compliance becomes a battleground for MYOB

Prior to February 2017 MYOB were unchallenged in the market for corporate administration software. MYOB were able to maintain a considerable market share for over ten years with a desktop solution that had first been developed in 2003. This would change in early 2017 when BGL released their corporate compliance product CAS 360, a modern cloud solution that would enjoy rapid growth on release. By July 2017, just six months after the launch of CAS 360, BGL was already managing close to 90,000 companies on their platform and as that number began to climb, customers began leaving MYOB's own solution.

Corporate administration platforms are designed to make the processes and workflows involved in an accounting practice lodging forms with ASIC and managing the official details concerning a legal entity easier. This is the kind of platform that benefits greatly from orders of scale, where the greater the percentage of the market a single platform holds, the more they are seen as the source of truth and the more data driven features can be enabled to build a defensive moat around the product. With the explosive growth of BGL, MYOB faced a real risk that they would be unseated as the source of truth among corporate administration platforms – something had to be done.

As of 2017, MYOB did have plans to modernise their corporate administration offering, scheduled roughly four years out. Propel Ventures with a depth of experience and insight into the accounting

domain could see the rapidly changing landscape and knew that waiting four more years would be too little too late. The proposal was made for Propel Ventures to partner with MYOB and time-shift the corporate administration modernisation from the back of MYOB's delivery roadmap to the front of Propel's delivery roadmap. By doing this, Propel Ventures could promise to accelerate delivery and ensure that a timely response to a growing threat would keep MYOB competitive.

Challenges

1. MYOB faced competitors whose cloud solution they had effectively been promoting over their own desktop solution, allowing them to present their products at MYOB events.
2. By allowing another company to gain control of corporate administration client lists, MYOB were allowing their market position to become diluted.
3. MYOB were busy developing a new cloud-based practice management suite, they had their top-10 priorities and corporate administration was priority number 12 on the roadmap.
4. Without a partner to time-shift delivery of a modern corporate administration solution forward, MYOB were not going to be able to get a competitive product into market in time to maintain their position in the market.

Propel must accelerate delivery to keep MYOB competitive

From the onset, Propel Ventures knew that it had taken BGL roughly four years to build their corporate administration offering from the ground-up. Four years was always going too late of a response for MYOB, so Propel identified a way that they could accelerate delivery and get a response in market a whole two years earlier.

At the start of 2018 Propel began a technical assessment of a small corporate administration company called CompanyIQ. The technology in Company IQ would act as a solid foundation for MYOB’s new cloud corporate administration offering, the team building it had unrivalled domain expertise (ie, a developer with 12 years of corporate administration experience) and the work needed to get it production ready for MYOB could conceivably be compressed into two years – Propel had found their pathway to accelerating delivery.

ASIC corporate compliance facts	
192k companies registered pa	274k business names registered pa
2.4m registry lodgements	68m ASIC searches

Figure 1, ASIC corporate compliance facts

MYOB embraced the race to respond to BGL in market and critical to the success of the joint efforts of MYOB and Propel Ventures, they began to communicate with the market very early on about what was coming down the pike for MYOB’s corporate administration offering. This slowed the movement of customers away

from their desktop offering and signalled to the market that MYOB were throwing down the gauntlet and ready to update, upgrade and fight to win.

The Plan

1. Acquire CIQ, to capture technology assets (ie, backend connections to with ASIC), legal IP (ie, resolutions, minutes, certificates etc.), intellectual IP (ie, key developers with experience in corporate admin).
2. Begin re-development of the CompanyIQ user interface to be more user friendly and more consistent with MYOB design standards, using common MYOB Felix components etc.
3. Migrated the infrastructure from Azure to MYOB preferred cloud infrastructure.
4. Migration onto MYOB’s application scaling and deployment environment.
5. Improved the scalability of pipelines, queues, and integration touchpoints.
6. Conducted a complete security overhaul, raising it to levels consistent with MYOB standards.
7. Beta to coincide with handover back to MYOB and product release.

How Propel delivered a four-year project in two years

No other company, including MYOB themselves could have delivered a new cloud corporate administration solution to market within two years. It was only made possible by Propel Ventures accelerated delivery strategy. Propel would purchase CompanyIQ and begin the painstaking process of modernising MYOB’s corporate administration offering at speed.

Propel would not only inherit the technical foundations of the future MYOB corporate administration solution from CompanyIQ,

but they also gained a depth of subject matter expertise that could never have been acquired elsewhere. The original CompanyIQ team, with their years of practical experience working with challenging ASIC interfaces, understanding the different ASIC forms and having the relationships and contacts within ASIC were a critical to Propel's successful acceleration of delivery. By the end of the project the founding developer team of two, would help seed and grow a team of ten corporate administration developer experts.

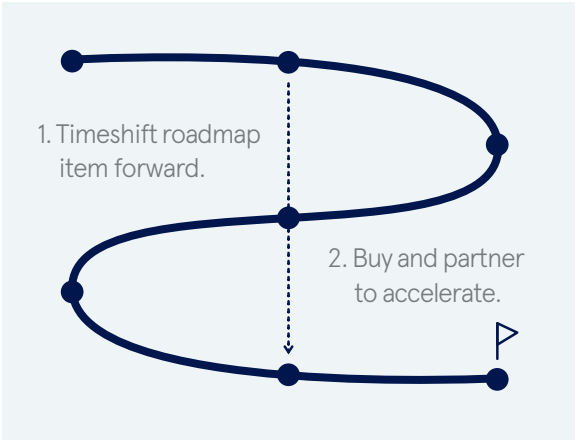


Figure 2, Delivery acceleration

In addition to the technical and intellectual assets Propel inherited several CompanyIQ's corporate secretarial customers. Propel's development team continued to operate this corporate secretarial business as a means of cultivating a group of corporate administration customers that would allow the Propel Ventures' product teams to conduct rapid user research, test features and get feedback from their own real

customers. Acting as corporate administration employees also allowed Propel's developers to deepen their domain expertise, putting themselves into the shoes of the people who would one day be using the platform they were building.

Propel help time-shift a response to a growing market threat

In early 2017 BGL began to grow exponentially, threatening the position of MYOB's own corporate administration solution. With the support and partnership of Propel Ventures, MYOB were able to move a substantial road-map items slated for 2021 forward to 2018. Propel then accelerated a four-year build into just two years, with the first beta release of the product occurring in May 2019. Propel did this by identifying CompanyIQ as a technically asset in market that would act as a foundation for the product and provide the domain expertise necessary to seed a full development team.

By June 2020 MYOB's new cloud corporate administration solution operates in parallel to the pre-existing desktop solution. As of July 2020, over two hundred customers have already migrated over to the new experience bringing upwards of fifty thousand companies with them. MYOB can expect to see exponential growth in these numbers as a testament to the success of this accelerated modernisation of their corporate administration product offering.

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