

## **BizKconnect's experience with its Small Town Centers**

### ***Who we are***

Bizkconnect is a rapidly growing startup in the actionable sales intelligence space. We believe that business happens through network and people do business with someone they trust. BizKconnect helps to build this trust leveraging business connections. It helps the sales and marketing professionals to reach out to their prospects knowing the intelligence around their pain points and connections.

The company was founded in 2012 and now has more than 135 global customers and 90+ associates. We, founders, have experience in global sales, marketing automation and technology with different software product and services companies. The company's initial couple of years went in building the product, solution and overall business model. All founders have been working in Pune for more than 15 years and hence we started our operations in Pune. Our first office was in the Garage/Outhouse of one of the co-founder, Ninaad's house. The initial product development and research work happened in this office and later we expanded to other locations in Pune maintaining this as our corporate office.

### ***Our First "Small Town" center at Aurangabad***

Once the product was ready, business model was established and sales grew, we started scaling up our operations. We needed rapid expansion in our Data research and analysis unit. We expanded in our Pune center but needed to scale faster. One of the founders Rahul, is from Aurangabad and had some references there who already had training and data entry facility. We thought, it might be a good idea to leverage the reference and pilot our first "small town" center for data research and analysis. Partap, one of the Co-founders and Vice President of solutions conceived this idea and got buy-in from other management members.

During the same time, one of our employees from Aurangabad had some family emergency and had to go back to the town. Partap thought that this employee can be the anchor for our Aurangabad center and can help us to establish this center with a partner. We agreed on the Build Operate Transfer ( BOT ) model with the partner and the employee moved back to be the first anchor resource there. There were initial apprehensions around recruitment and quality of resources. But that went off in a few weeks and we got really good quality associates. Looking at this, we started expanding the team in Aurangabad and in a span of 3-4 months, we had a team of 12 associates there. We saw distinct advantages of easy ramp up, less attrition in addition to the cost benefits from our Aurangabad center.

### ***The second "Small Town" center at Margao, Goa***

With the initial success of Aurangabad, we started looking for other options of starting another "small town" center. With our experience now, some of the considerations were – strong reference from one of the co-founders, existing set-up of the potential partner and the set-up should have strong passionate management who works closely with us to make the initiative a success. Our CEO, Milind has ancestral place in South Goa and during one of his visits to Margao, Goa, he evaluated 3-4 existing set-ups and shortlisted one of them based on the capabilities.

There were other cities under consideration which had proximity to Pune but what really worked in favor of Margao ( small town in Goa ) center is the involvement and ownership demonstrated by the partner's management team and confidence they could give in terms of hiring resources and building processes around them. In terms of our business strategy also, at BizKconnect, we had started sales intelligence unit for the global hospitality industry. So there seemed some more sense in starting that in Goa which is a popular hub of travel and hospitality. Margao, our second small town center, has worked out really well. We had learnings from our first center which helped to get a good start in Margao and the center has now grown to have more than 20 associates. Our attrition there is less than 2%, hiring time is around 1 to 2 weeks for any new associate.

### ***Our learnings working with our team in "Small Towns"***

#### **Be Effective in your business model then leverage Small Towns for being efficient**

In our experience, it would help to make sure that you have an established business model and set up your initial team, in the core area of business, at your main center. Make sure it is effective and giving desired results. Once effective, then look at making it more efficient in terms of scaling it up in a cost effective way. It is in this phase of efficiency where the Small Towns can really help you. If you expand into Small towns before being effective in your business model, you will not be successful as the efficiencies will not add business benefits and it will just add another variable to the analysis.

#### **Management involvement, references are must for choosing a partner**

We have now strong belief in three parameters to choose the partner – strong reference and connection with one of the BizKconnect management, existing set-up of the potential partner and more importantly, involvement and capability of the management of our potential partner. If these things are there, the rest of the things like infrastructure, hiring, attrition, training etc work out seamlessly.

#### **Less cost and lower attrition**

The known Tier-1 cities like Bangalore, Hyderabad, Pune have huge opportunities for professionals. So there is natural migration to these cities from small towns. When the associates move to bigger cities, they need to support their life style there and spend for their stay and food in line with their Metro lifestyle. The same resources start expecting much higher salary and also are ready to hop around the companies for higher salaries. This leads to increased attrition and high maintenance cost of the resources in the bigger cities. This gets completely neutralized in the small towns. The professionals have limited opportunities there, are staying at their home and are looking for long term stable jobs. The same resources work at much more reasonable cost, work longer and are stable and more productive. We are experiencing much lower attrition in our small town centers and have less maintenance cost of the resources.

#### **Grounded and Stable culture**

We have also experienced another cultural difference. In our Margao center, we find associates being very simple, down to earth, transparent and disciplined. This makes them very productive and trustworthy extension of our Pune team. This cultural difference may be because of “Small Town” culture where most of the working people stay with their family and are a closely knit community. We realized this subtle but important cultural advantage of small towns as we started having more interactions with the team members.

### **Good quality resources**

In terms of supply of good quality resources, our experience has been really good. We are able to get in associates with the needed skills and are able to train them on our product and processes. On an average our hiring lead time is 1 to 2 weeks. This may vary a bit based on the type of resources you are looking for. It may help to see if the small town has some synergy, existing ecosystem of the industry you are going to work on. For us since we were looking for data analysts in hospitality business unit, Margao had synergy in terms of good availability of the KPO and hospitality industry.

### ***Our “Small Town” Journey moving forward.....***

We are still in early stages of our startup journey but definitely the experience with small town centers has made us more efficient and cost effective. It helped us to scale up faster and become profitable earlier than we would have been. Now, as a company, these small town centers are integral part of our culture and strategy. We have seen the benefits of this model and will continue to not only grow our existing small town centers but keep leveraging new small towns to establish new centers. We will continue to advocate and recommend this model as it makes a lot of business sense. In addition, as entrepreneurs, it gives immense gratification of creating jobs in small towns and being part of India’s hinterland growth story.

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