

Business Courier of Cincinnati - December 21, 2009
[/cincinnati/stories/2009/12/21/story14.html](http://cincinnati/stories/2009/12/21/story14.html)

BUSINESS COURIER

Friday, December 18, 2009

TechSoft's Clifford Bailey keeps focus on small, medium firms

Business Courier of Cincinnati - by [Lucy May](#) Senior Staff Reporter

Clifford Bailey's strategy for battling this recession started about a decade ago.

That's when Bailey began reshaping **TechSoft Systems**, the information technology consulting business that he and some partners launched in 1983.

The company started out doing mostly IT staffing for Fortune 500 companies.

But by about 2000, Bailey could see that major corporations were outsourcing their large-scale IT staffing needs overseas. He realized that TechSoft either had to cut prices year after year to try to keep that business or take a different path.

"We had to start looking at a market where others weren't playing," said Bailey, a chemical engineer by training who worked for **Procter & Gamble Co.** for three years before starting his business. "Small and medium-sized businesses were a great opportunity for us to provide services."

Those companies needed IT staffing expertise on a contract basis. And serving them led to TechSoft's launching of other business offerings, such as selling hardware and software and remote hosting.

That strategy has served the company well.

Bailey, now the firm's sole owner, declined to release annual revenue figures. But he said TechSoft has sustained "modest growth" through the recession and expects to grow by at least 20 percent annually for the next three years.

These days, TechSoft still does some work for big clients such as P&G and Toyota. But 70 percent of the Woodlawn-based firm's annual revenue comes from its work with small and medium businesses and nonprofits, Bailey said. Another 15 percent comes from its IT staffing business, and the remaining 15 percent comes from hardware sales.

"Our growth has come from listening to existing clients," Bailey said. "Everybody's looking to be more efficient, effective or innovative. Regardless of good times or bad times, we recognize there's opportunity, and somebody is getting it."

TechSoft has developed a business model to become an IT adviser to its clients, big and small.

It has adopted a one-stop shopping approach that helps the company attract and keep clients, said Jilson Daniels, MBE portfolio manager for the **Minority Business Accelerator** housed at the **Cincinnati USA Regional Chamber**. TechSoft is one of the black-owned companies in the accelerator program's portfolio, and Bailey sits on the program's advisory council.

"If he goes out and sells managed services, he can supplement that service with hardware and software sales as well," Daniels said. "Clifford's biggest asset as he grows is to be able to look at the big picture."

He also knows that happy customers remain fiercely loyal to their IT providers.

"Once the companies get themselves established with one firm that's providing that kind of service, it's really a barrier of entry for other firms to compete," he said.

Of course, that reluctance to change IT service providers can make it difficult for TechSoft to win over new clients, too.

To overcome that obstacle, TechSoft offers potential clients a free IT assessment, Bailey said. At no charge, and with no obligation, TechSoft staffers will determine a company's IT needs, examine the company's equipment, software and services and offer recommendations for how the work can be done better, cheaper or both.

"Typically if they don't come on board then, it will be later," Bailey said.

That free assessment helped the firm win a contract with **Neighborhood Health Care**, said Johnny Daniels, the private, nonprofit health center's CEO.

"We had been doing business with another IT company," he said. "Our service had been going down."

TechSoft came highly recommended, so Daniels decided to give the free assessment a try. That entailed TechSoft visiting a number of the organization's nine health centers to ask staff exactly what they needed from their IT provider and examine what equipment they had.



Mark Bealer | Courier

TechSoft CEO Clifford Bailey said clients have turned to his information technology company to help them save money, which has meant an increase in business for the Woodlawn-based IT firm.

[View Larger](#)

TechSoft found that Neighborhood Health Care had more IT capacity than it needed and proposed a more strategic use of hardware, software and consulting services.

In the seven months that TechSoft has been working for Neighborhood Health Care, Bailey has become almost part of the nonprofit's family, Daniels said.

"We have to remind ourselves that he's not part of NHC," he said.

For Bailey, that's what it's all about.

lmay@bizjournals.com | (513) 337-9437

All contents of this site © American City Business Journals Inc. All rights reserved.