

BUYER CASE STUDY

Using Intuit QuickBase to Improve Project Management in a Global Small Business — Zopa Inc.

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IDC OPINION

This IDC study investigates how Zopa Inc., a social finance company, uses Intuit QuickBase to improve upon its project management and scheduling processes across its global operation. This study provides insight into the key drivers that led Zopa to automate these processes, the decision criteria it used in selecting Intuit QuickBase, the benefits it has derived from the solution, and guidance for vendors on selling solutions and services to small businesses. Zopa's experience in selecting and using Intuit QuickBase demonstrates that when vendors develop and market solutions and services for small businesses, they must take the following into account:

- ☒ **Simplicity is paramount.** Small businesses are reluctant to adopt new IT projects because they typically have no IT staff or infrastructure. In targeting small business buyers, vendors must develop products and services that are easy to install and use, and that have the nontechnical user in mind. Since every employee is vital in keeping the operation running, most small businesses are seeking solutions that do not require any training.
- ☒ **Implementation must be effortless.** Small businesses also do not have the time to spend or resources to allocate in implementing a new solution or service over a period of months, weeks, or even days. Every employee is critical to the ongoing, daily operation of the small business and the employees' time must be focused on keeping the business running smoothly. Vendors, therefore, must work to create solutions and services that do not require lengthy, or even short-term, implementation times. The best devised solution for a small business is one that is turnkey by design.
- ☒ **Value must be immediate.** In operating in today's fast-paced business world, small businesses cannot set time aside to conduct in-depth, return-on-investment (ROI) analyses for proposed new technology solutions. Small businesses also cannot risk taking time out to evaluate the effectiveness of solutions following implementation — if a solution doesn't work as it should, it will be abandoned. Vendors need to be responsive to the specific needs of small businesses by creating solutions that can provide immediate value upon use. At the same time, vendors' messaging about these solutions needs to focus on the instantaneous benefits that small businesses can hope to realize from the start, including greater efficiencies and better communications among employees and their partners.

IN THIS BUYER CASE STUDY

This IDC Buyer Case Study investigates how Zopa Inc. has valued from using Intuit's QuickBase to improve upon its project management and scheduling processes in realizing greater efficiencies and communications, both internal and external to its operations. This study provides insights into the key drivers that led Zopa to pursue a project management software solution, the decision criteria used for choosing Intuit QuickBase, the benefits derived from the solution, and guidance for vendors on selling solutions and services to small businesses.

SITUATION OVERVIEW

Organization Overview

Launched in the United Kingdom in 2005 and now chartered in Delaware, Zopa (www.us.zopa.com) is a pioneer of global social finance. The company's business is to improve upon the tools of financial services, including investments and loans to allow people to help themselves and other people at the same time. In the words of Rajesh Jayaraman, chief technology officer at Zopa, "It's not just about getting a loan. People come into our finance Web portal and realize their dreams. It's about help, and great people." The company's founders, a team of experienced financial services executives, chose the name Zopa by taking a term from business theory. Zopa stands for Zone of Possible Agreement, the overlap between one person's bottom line (the lowest they're prepared to sell something for) and another person's top line (the most they're prepared to pay for something). If there's no Zopa, there's no deal.

Zopa, in the United States, makes money primarily by originating and servicing Zopa loans and Zopa certificates of deposit (CDs) for its six credit union partners. Consumers do not pay any fees for transactions or on a recurring basis as long as all processing is electronic and as long as they are current on all loan payments. People who choose to seek loans through Zopa elect to do so for the same reasons as when they seek loans in the traditional way: they want to start a business, consolidate their loans, pay off credit card debts, attend college, make home improvements, and so forth. Each qualifying loan application is professionally underwritten by the credit union's staff using an online, paperless loan origination dashboard built by Zopa. Borrowers receive the loan proceeds in their bank account electronically upon approval of their application.

Once a borrower has received the loan, using Zopa's online lender/borrower portal that affords a single, easy-to-navigate point of access, borrowers can post their reasons for seeking loans in their "profiles" and promote their profile and solicit help from their friends, family, community, and other Zopa members.

Some investment opportunities are quite unique and make Zopa's loan options all the more intriguing for financiers. Investors on Zopa purchase a federally insured one-year certificate of deposit and apply a portion of the interest from their CD to help borrowers they choose. For example, when start-up owner LaTisha posted a profile about her WhizKidz Shuttle service on Zopa's online portal (www.us.zopa.com), she hoped to receive help from those investors who could appreciate the reason behind

its creation — it would provide busy parents, especially single mothers, to have a safe mode of transportation for their kids. According to Jayaraman, this concept proved to be highly appealing to a select population of investors who shared this "set of values," and WhizKidz has been helped by more than 18 investors who have helped knock down its founder's monthly payments by about \$20 a month.

While Zopa is not the only company to have developed a social finance community, it is the only player to offer a risk-free return via federally insured funds.

Zopa has 13 employees in the United States. It is a private, venture-backed company that has raised \$34 million to date for its global operations through Series A, B, and C rounds.

Challenges and Solution

Zopa began work on its U.S. launch in late 2006. With less than 10 employees managing its business in the United States plus a handful of contractors working elsewhere, and no internal IT personnel or datacenters, the company was challenged to manage its many projects effectively. Its manual processes would not allow it to plan, organize, and manage its internal resources and external relationships with its partners to bring about the successful completion of specific project goals and objectives. To more closely illustrate the environment in which it operates: Zopa's U.S. launch involved four to five people from its internal operation but also required the coordination of activities with five or six departments within a credit union partner; so, at the time of the launch the project involved as many as 50–60 people. Compounding an already complex situation, there were multiple documents to be shared; multiple, high-level milestones to track; and myriad task lists to be checked off to progress in the right direction.

When Jayaraman joined Zopa in February 2008, he sought to find an automated solution for his company that could effectively manage and schedule the U.S. launch but realized that he needed to find one that was also easy for a nontechnical person to use. According to Jayaraman, after briefly considering a more complex solution he promptly selected QuickBase for Zopa's project management solution because it afforded easy implementation and required no training. Jayaraman explains, "All it took to get up and running with QuickBase was to configure four screens at the start. We didn't need anything elaborate." Yet, another plus that worked in QuickBase's favor, and sealed the deal for Jayaraman, is that the solution required zero training.

Once installed, QuickBase was initially used at Zopa to schedule tasks and create an enhanced to-do list involving projects. Eventually though, the solution was used more formally as a "go-to" tracking tool that became highly instrumental during weekly meetings in helping all parties to a project better understand which person was responsible for a specific task and all the dependencies (timelines, other parties, etc.) associated with that task.

While Jayaraman states that Intuit QuickBase does not substitute for a CRM system when tracking loan originations, it does provide all of the essential features and functions that Zopa requires for managing and scheduling its projects internally. It

also performs extremely well in helping the company to manage its external dealings with its credit union partners.

Results

Since Zopa is an entirely online operation, it is fortunate to have a technology-astute business manager in Jayaraman as its CTO, something few small businesses have. Jayaraman's previous experience at Yodlee, where he led engineering and product development of a suite of innovative applications for online financial services, provided Zopa with the IT savvy it required to make technology decisions for its operation. While Jayaraman did briefly consider a more complex project management tool, upon a closer look at QuickBase he immediately chose it because its simplicity made it the *right* solution for his company.

In the 10 months since Zopa's adoption of QuickBase for its project management and scheduling, the company has realized the solution's key benefits that include:

- ☒ **Ease of use and implementation.** QuickBase was easily installed in a matter of one week, and the customization of four screens was all that was required before the team at Zopa began realizing the immediate positive benefits of the solution. No development costs were accrued, no training was required, and IT is not required for a small business to keep the solution up and running.
- ☒ **Enables greater communication.** The solution helps to foster better communications for Zopa in that all parties to a project, regardless of where they work across the globe, including internal employees, external contractors, and business partners, can be networked together in the exchange and sharing of information. By all accounts, this more collaborative environment has led to greater satisfaction among project team members and resulted in soaring productivity.
- ☒ **Permits corporate-level task tracking.** QuickBase has also allowed Zopa's management to provide its board with regular updates of the company's ongoing activities so that they gain a firsthand understanding as to the current state of its business. Corporate managers at Zopa need to track projects across departments and the QuickBase solution permits them to do this.
- ☒ **Pricing model provides flexibility.** According to Jayaraman, a key reason in choosing Intuit's solution, beyond its simplicity, is that with QuickBase his company can buy additional licenses as required. Zopa does not have to sink a huge investment in the solution that is not justified but, rather, can add licenses as its business and network grow. At Zopa, when considering and choosing a solution, flexible pricing was mandated.
- ☒ **Helps toward developing best practices.** Zopa continues to use QuickBase in the development of its best practices in managing and scheduling projects. The solution makes it simple for users to adjust their methods of addressing tasks to ensure that projects run smoothly and efficiently — and no training is required.

ESSENTIAL GUIDANCE

Actions to Consider

When selling to small businesses, applications vendors need to design solutions that are easy to install, simple to use, and show immediate value. Based on IDC's discussion with Rajesh Jayaraman, CTO at Zopa, we have the following recommendations for solutions vendors that target small businesses:

- ☒ **Keep it simple.** Lacking any IT staff or infrastructure to support solutions that are anything but simple in design, small businesses will be most drawn to turnkey applications that address their basic operational needs. Vendors that have traditionally sold their solutions to large and even midsize organizations need to be aware that they must dramatically change their approach when creating solutions for small businesses that have little in-house IT skills or time for training. The user interface must be straightforward, with features easy to navigate for a solution or service to appeal to the small business buyer.
- ☒ **Ensure implementation is rapid and effortless.** Lengthy implementation cycles for solutions are not a consideration for small businesses that have little time and few resources to spare. Small businesses will pay most attention to vendors whose solutions help to promptly ease their operational limitations and can be installed quickly and effortlessly.
- ☒ **Make immediate value apparent.** When a solution or service is implemented by a small business, its value must be readily apparent upon initial use or it will be eliminated. In today's swiftly moving business environment, small businesses are running at full speed just in trying to keep pace with change. They have no time to spare in developing an in-depth ROI assessment relative to a potential new solution they might want to use. An IT solution must quickly make evident to the small business buyers that it bears value in its capabilities to make them more efficient. All vendor messaging around their solutions and services for small businesses needs to address their immediate worth upon use.

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- ☒ *Worldwide SMB 2008 Top 10 Predictions: Next-Generation Technology to Gain Traction Despite Economic Slowdown* (IDC #210535, January 2008)
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