

20 YEARS AND 100% REFERRALS

At TNS, it's an open secret: If you take good care of clients, they will take care of you by recommending your services to others.

By Benson Yeung • Photography by Rafael Ortega

TRIWARE NETWORKD SYSTEMS, in Silicon Valley, was built using 100 percent referrals. My first client wanted to hire me as a contractor to avoid paying payroll tax. With his help navigating through the paperwork, I started my company in 1991 without knowing all of the implications of creating a business. It has been a learning experience. That was also a big step from 1985 when I arrived from Hong Kong to go to school.

My thought has always been, "Take really good care of existing clients, and they will take care of you." Our elevator pitch at TNS is, "We are your family doctors for your IT needs." Like in the old days, the family doctor implies good service and a caring approach.

I visit 10 to 15 percent of our top clients personally every month, even if there is no current business. We talk about their business, maybe I bring them lunch, I see if I can assist their IT people, and just be helpful. Over time, I have made a lot of friends. As those people go out to new businesses, they bring in TNS.

The key to these referrals is great service. It's hard to measure, and some clients appreciate it more than others. We make sure there's a measurable financial return for the client. Finding the balance between spending the minimum hours possible to give clients the maximum happiness is difficult. Profitability comes by having more clients and putting our eggs in more baskets.

I have found two categories of clients. The first wants long-term efficiency. The other is transactional based, and is looking for an immediate fix. Try to be careful at the early engagement stage to figure out which type of service the client prefers.

The first type of client understands that spending money up front can help them real-

ize long-term savings. It's much better than just fixing an immediate problem that may come back to bite you. Usually our proposals are too expensive for the second type of client, and we don't win that business. But sometimes we do get in and help the client with the best possible solutions. But in their mind, these "quick fixes" don't go well. They say we're too expensive and don't do a good job. We are now very, very careful not to take on that type of client.

One client company has been with us for 20 years, on and off. Several years ago, they went from really small to big, and then they went public. And they still hired us to supplement their IT and help with strategic direction. They grew their IT team while keeping us involved.

When IT operations got really expensive, the company let its IT staff go and brought us in as its full-time IT supplier for four of its locations, including one international site. We saved the firm about 50 percent of its cost. Two years ago, another company acquired our client, so we thought the relationship was over. After helping with due diligence and exchanging information about IT details, the acquiring company decided to keep TNS as its own IT team.

A BIG CLIENT BENEFIT

When a problem appears, there is only one way to fix it: free to the client. I tell the client that as long as they trust us, we will fix it and we'll eat all the costs to solve the problem. When we give a quote, 90 percent of the time we're accurate. But if we feel there's extra time spent, or we're not sure about something, we absorb the cost. For maintenance clients on retainer, if we use too many hours on a project, we give those hours back, free.

I always approached building TNS like a

partnership, like a law firm or an accounting firm. We don't have employees, but associates, and they become part owners. We don't take on people unless we make sure we can support them. And we've never laid anyone off for financial reasons.

We have been working with some of the same clients for 15 or 20 years, many as they have gone through multiple companies. That's why I always repeat the open secret: If you take good care of existing clients, they will take care of you.

Profile: Benson Yeung

Founder and Senior Partner
Triware Networkd Systems LLC

Location: Santa Clara, Calif.,
in Silicon Valley

Established: 1991

Number of associates: 20, plus virtual
team members

Website: www.tns.com

Company focus: IT integration,
maintenance, and outsourcing

Favorite part of my job: Helping
clients and providing solutions

Least favorite part: Driving in the San
Francisco Bay-area traffic

What people don't know about me: I am
an angel investor, serving on the board
of directors and as an adviser; I mentor
entrepreneurship at Stanford University
for both online and offline programs; and
I work on a nonprofit IT start-up called IT
as a Professional (ITaaP).

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**BENSON YEUNG, FOUNDER
AND SENIOR PARTNER
TRIWARE NETWORK
SYSTEMS LLC**

