



# 20 Years of Success: Software Isn't All About Technology

**S**tarting any company is tough and for start-up software companies, staying in the black can be especially challenging. Many software entrepreneurs start their business with a great idea. Once the idea catches on, it's difficult to scale the business for growth.

According to Dun & Bradstreet and INC. magazine, 33 percent of new businesses fail within the first six months, 50 percent fail within the first two years, and 75 percent fail within the first three years. For small businesses the numbers are even more daunting, with only a nine percent chance of surviving 10 years.

Thankfully, Jim Terrano, president and CEO of TELCOR Inc., has had a much different experience. With TELCOR celebrating its 20th year in business, Terrano attributes its success to five philosophies.

## **BUILD INTEGRITY WITH CUSTOMERS**

The health care industry has seen significant growth and challenges over 20 years and there's no sign of this stopping. According to Mike Pendrith's "12 Reasons Why New Business Fails," failure to understand the industry and the customer can be a pitfall.

The TELCOR executives believe in the adage, "people buy from people." Terrano and partners, Deb Larson and Becky Clarke, have extensive personal history in the health care industry and have experienced the changes and challenges themselves. This gives them the foundation to build trusting relationships with TELCOR customers.

"Even with the best planned road map, there are still the occasional unforeseen bumps," Terrano said. "We have always believed that honesty is the best policy and communicate with our customers. Though these bumps are few and far between, our approach has allowed us to build open and honest relationships."



## **COMMIT TO CUSTOMER SUCCESS OVER SHORT-TERM PROFITS**

There are many equations on how to measure customer rate of return. "The Metrics Driven SaaS Business" talks about the average recurring revenue per customer and the average recurring cost of service per customer with pictures and equations on how to quantify this measurement. For Terrano, this simply means committing to his customers' success over his own short-term profits. Growth is a clear indicator of success as is maintaining the existing customer base. "Each customer is unique in their needs and we strive

to support them,” Terrano said. “We consider this a mutual win. When LifeScan exited the hospital point-of-care blood glucose meter market, our team worked tirelessly for many months to ensure hospitals were able to continue their POCT program. TELCOR incurred quite a bit of overtime, increasing our operating expenses during that time, but the right decision was to ensure continuity of service so that’s what we did.”

### **DEMONSTRATE RESPECT TO CUSTOMERS**

TELCOR has experienced year-over-year growth since 1995. Terrano attributes this top-line growth to excellent customer service.

**“TELCOR is different. They are much more of a partner. They are invested in our success, they know the people in our company, they know our management team, and even some of the staff level team as well. You can feel it throughout the organization—they are invested that we do well, not just that they are just a billing software.”**

**Jeff Nally, Director of Revenue Cycle Management for Dominion Diagnostic**

“You can have the greatest technology and the best solution, but if the TELCOR team doesn’t respect our customers, we have failed,” Terrano said. “Our RCM solution isn’t as well-known as others, but I guarantee our customers love working with us. From sales, to implementation, to service, our team listens to and goes beyond the standard to satisfy customers.”

Jeff Nally, Director of Revenue Cycle Management for Dominion Diagnostics agrees.

“TELCOR is different,” Nally said. “They are much more of a partner. They are invested in our success, they know the people in our company, they know our management team, and even some of the staff level team as well. You can feel it throughout the organization – they are invested that we do well, not just that they are just a billing software.

### **REFUSE TO FAIL**

Pendrith also considers “failure to measure goals and objectives” another contributing factor to business decline. As a successful, 20-year company, Terrano can appreciate this point. Overall, the software industry is quickly transitioning to a SaaS, or cloud, solution. The benefits of a cloud solution are being slowly adopted by the health care industry. Terrano saw this trend as an opportunity to offer TELCOR RCM as a SaaS solution.

Potential security breaches and lack of control are two of the top obstacles organizations face when implementing a cloud-based solution. To help ensure its success, TELCOR invested in two, fully redundant data centers. Since its initial investment, TELCOR

has re-invested in its business by opening a third data center, further extending its data backup and service capabilities.

“There were definite challenges and we could have chosen to only offer this solution as on-premise, but we knew this was the right decision; our team saw the vision and refused to give up. I’m proud to say we have an excellent cloud RCM solution that meets all the data security requirements and is backed by industry recognized security and patient privacy certifications,” Terrano said.

### **DEVELOP HIGH QUALITY PRODUCTS**

It’s important to understand that more “bells and whistles” doesn’t indicate quality.

In Cathy Key’s, “The Red Queen Effect: Why Most Software Companies are Doomed to Fail,” she talks



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about when companies decide to compete on features.

“Every time company A adds a widget, company B adds two widgets. Pretty soon both companies have software full of widgets, bells, whistles, advanced options and other fancy do-dads. The problem is that now their software is difficult to use and requires additional customer support.”

TELCOR software solutions are flexible in set up, offer a wide range of rules functionality and provide real-time reporting. Enhancements and version updates are carefully thought out and planned according to customer needs and industry trends. For the TELCOR RCM solution, an active user group helps evaluate enhancements to ensure they can be utilized by many, rather than one.

“We are in the business of data analytics,” Terrano said. “Health care professionals need to manage data to run their business efficiently, increase revenue and make good decisions. We strive to provide the highest quality data analytics software while maintaining its ease of use.”

TELCOR further attributes to the quality of their product by designing a solution that grows with customers. QML® is designed using open architecture allowing hospitals to grow their POCT programs without restrictions. It’s important to build solutions with the flexibility to evolve with industry and customer needs.

## CONCLUSION

Twenty years after its inception, TELCOR offers two

core product lines. A software solution for point of care testing and a cloud-based solution for laboratory billing management. While the McKinsey & Company report says, “growth trumps all,” it also states that growth happens in phases. With an

industry undergoing extreme changes and technology offering so many solutions, TELCOR has found success by listening to the needs of its customers.

“TELCOR’s growth has been based on needs identified by our customers,” Terrano said. “Over the last 20 years, our solutions have been built based on quality and security. Our relationships are built on trust. Continuing to put our customers and employees first, creates a foundation for TELCOR’s continued success for the next 20 years.” ●●●●

## 5 Philosophies of Growth

- BUILD INTEGRITY WITH CUSTOMERS
- COMMIT TO CUSTOMER SUCCESS OVER SHORT-TERM PROFITS
- DEMONSTRATE RESPECT TO CUSTOMERS
- REFUSE TO FAIL
- DEVELOP HIGH QUALITY PRODUCTS

## RESOURCES

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## ABOUT TELCOR

TELCOR™ provides software solutions for point of care data management with LIS/EMR integration and revenue cycle management for outreach and reference laboratories. TELCOR’s QML® version 2.3 and Revenue Cycle Management version 13.0 achieved ONC HIT 2014 Edition Modular Certification and 2014 Edition Modular EHR Ambulatory ONC Health IT Certification, respectively. All trademarks, service marks, trade names, trade dress, product names and logos appearing on this document are the property of their respective owners. Copyright 2015 by TELCOR Inc. All rights reserved.

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