

Codespring CEO, Levente Szélyes: Leading a Romanian Frigate in International Waters

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Agility is becoming a stereotype feature for 21st century IT&C companies. Easy to tell, hard to achieve. We are used to looking up to large successful IT&C companies sailing across the global economy. However, each commercial line has its fleet of smaller ships used for specific operations. Who would like to do this job? – Smaller companies and entrepreneurs do. Different lifestyles, different mindsets.

We took a glance at the emerging markets and our attention was drawn by some company in Central-Eastern Europe : how do they approach the global IT&C market and what are their decisions about capital investment. What concerns a Romanian software development and outsourcing company's CEO about the year ahead?

Our correspondent interviewed Mr. Levente Szélyes, CEO at Codespring, a software development and outsourcing company from Cluj-Napoca, Romania, with an average of \$ 1 Mil. annual turnover, leading a team of 50 software developers, serving the USA and European markets.

Founder and owner of Codespring, software development and outsourcing company, Mr. Szelyes, is one of the dynamic Romanian entrepreneurs in IT&C industry. In 1998 he founded his first software development company. Soon, he engaged in a BOT (Build, Operate, and Transfer) contract with the largest IT&C company in Germany. Later on, Mr. Szelyes initiated a new business venture, Codespring. Today, the company is proud to have strategic partners from the USA and Europe.

Levente, what is your feeling as a leader of a Transylvanian software development player?

Thank you first for making a good point: we really are "in the game" and the fact of coming from Transylvania, Romania let its mark on our business trip! After debarking from a largescale company environment, Siemens AG, I took a deep breath and went after a more adventurous experience: building a new company. I run Codespring as a frigate: big enough to face the ocean and small enough to be as agile as needed. Cluj-Napoca is our port of origin and my crew is a colourful and talented team of software engineers. As many of the readers may know it, the Romanian school of information technology and engineering provides constant talented people and I am proud to sail across international contracts with them. Hard work is "by default", but rewards are equivalent. Our large customers appreciate our efforts to provide high service level and they consider us as a "special unit" for "special projects".

Is there a moment in your career life that you would say is memorable and special for you? Or, is there a persona that you consider to have a major influence on your future development?

Now, that you are asking me... I do recall many various moments, mainly related to my inner feeling to go for new challenges. Sometimes I have that awkward feeling which makes me actually provoke changes that will affect my life for the next five years.

One of the most memorable moments is the day I have signed my first major long term contract as an entrepreneur: It was in the late '90s. I was a total nonconformist at the time... a young man still travelling with a backpack, wearing shorts, boots and T-shirt. I went to the negotiations in Budapest, by train, planning to have a good time whatever happens at the meeting. After the contract was signed... I packed it in the backpack and went with my girlfriend (my future wife) to a rock festival, setting our tent somewhere in a camping area (!). Good old times! Never did we think that that piece of paper will change our lives.

However, due to that contract, I had the chance to meet Péter Zimányi, Evosoft CEO, with whom we became partners and are now good friends. He taught me how to do business in style. He always knew how to turn things in his favor and was a great commercial relationships builder.

Looking back, I reckon that beyond being professionals and some of us, business owners, we are *humans* and should do what *humans do*. Taking care exclusively of your work and business denotes a huge disequilibrium. I think there is only one thing equally distributed among humans: TIME. The way you are using your time shows what kind of life you are living. So, I strive for achieving balance in my life: quality business time is as important as quality time with my family and friends.

You also have experienced more entrepreneurial situations. What was your motivation 13 years ago and what is it now?

After being a researcher at the Technical University in Munich, I had this idea of building my own business. I did not know exactly how things are working for an entrepreneur, but I was keen to try and discover it! I love exploring the unknown. However, at my second attempt, I was more lucid about the risks I took. But, hey! You don't win if you don't play! And here I am now, with Codespring, trying to enhance quality and processes. This is a great challenge for any business owner who wants to grow and lead the business to the next level. When we will get there, we will look for new horizons, new challenges, and that is what motivates me.

What meant 2010 for Codespring ?

The last two couple of years were tough. In 2010 we underwent a consolidation process on the Central – Eastern European market and we concentrated on becoming even more client conscious. We kept focusing on core services – software development and outsourcing. There was also an intense service demand coming from the European mobile market: we have executed a number of mobile applications, mainly for iPhone and Android platforms.

Whereas, on the Romanian market, Codespring's business was driven by the food industry, for which we have a customized software solution providing production control and traceability.

What is your business focus for this year?

There is new competition coming from the CEE countries. We will focus on building the evidence that Cluj-Napoca, and especially Codespring, is a nest of excellent code and service. It is vital that we quickly and efficiently adapt to changing markets and to leverage our core

assets and competencies. Our research unit showed it is a matter of time for industrial applications to go mobile and mobile devices are the first to build the market for many innovative applications. Therefore we will strengthen the team's technological know-how in different mobile platforms, to be able to enlarge our service portfolio with mobile solutions and their integration with other platforms.

Secondly, we focus on offering consulting and complementary services for software development. At a global scale, a company can differentiate itself by offering exquisite services and offer added value to all stakeholders.

Will outsourcing remain a crowd-pleaser for the next years?

Outsourcing is mainly about accessing the right skills. Technology is revolutionizing the workplace in our century. Software development outsourcing service providers, like Codespring, from round the globe will put their talent pool on the market, complementing the in-house teams, which will then focus on operational efficiency and customer satisfaction. In the industry, we are all aware of the risks and opportunities outsourcing comprises. However, in the long run, as our clients declare it, yes, if done properly, outsourcing will be a crowd-pleaser.

Then, the big question is who should turn to software outsourcing and why?

An outsourcing deal represents a win-win situation for both sides. Fortunately a lot has been learned from finance companies and from large software development companies, who already have positive history with offshoring and outsourcing. And while economies and companies continue to globalize, this strategic idea suits well companies who act at global scale. It allows to use operational capital more efficiently, to turn fix costs into variable costs and to access technical expertise in executing software development. On the other hand, outsourcing providers, as we are, gain a long-term partnership with global customers, while using their best skills. Outsourcing should be a strategy integrated in the overall business strategy so that both partners find the added value in this type of contract.

How do you manage to keep Codespring as a competitive software outsourcing partner?

Two words: "quality" and "value". The challenge is to deliver the highest quality at the right value. For our customers, we are the behind-the-scenes team. We want them to be winners, so that we may win along. We stimulate technical and soft skills development, we invest in acquiring best knowledge about everything we want to deal with and we make the effort to understand our customers. Understanding customer needs will help us define new market opportunities, drive innovation and revenue growth in every aspect of the organization. That is where the client will find the value within.

What is your opinion about the Romanian "brain" migration to the US and Western Europe?

The good thing about it is that all those professionals who migrated there and want to come back at some point in their lives, will bring in a valuable know-how and attitude. They can also be a good touch point for companies willing to outsource here. They will speak the same business language, but they will have this advantage of being able to properly translate it to Romanian counterparts. Whereas, on the short term, it may look as a "loss", on the long term, if

they have a project idea, they can be more likely to open a development center here in Romania, due to many well-known factors. Bottom line, it is not a drama but a change towards a new organization of the work force market. Certainly, our market and its leading institutions should have their action plan in order to benefit this "brain pool".

The outlook for 2011?

"Excellence. In 2011, we aim to uplift all our business processes, so as to provide added value to our clients through technical expertise and business process know how. We will continue to stand out as a reliable Romanian software development and outsourcing provider in order to attract challenging projects and contribute to the change that IT&C industry is driving in our lives.

And, what about your free time? How does a simple day look like for you?

Me and my wife's day starts with three totally contagious smiles: our daughters (2, 5 and 7 years old). Then I continue with dropping the two eldest at the kinder garden and school. In the evening there is a special time for dinner together, sharing the important moments of the day and following activities with each of them.

Best times are of course during weekends and holidays with my family. We try to teach our children how to explore the world. We go for outdoor activities: camping, travelling, skiing, swimming, hiking and gardening. Lately we also strived to bring back traditional customs in our lives with traditional cooking styles, traditional gardening, traditional wine making. Small but important details about nature and healthy living.

A message that you would like to send to our readers?

I thank you for taking the time of taking a glance at companies from Romania who act on the global market. I think it is a great initiative. Next, I invite those interested to try out outsourcing; think of outsourcing not only as a possibility for effective business processes, but as a chance for experiencing cultural exchange. Feel free to write us and ask for more information.

http://www.phoenixmission.org/web/index.php?option=com_content&view=article&id=2840:codespring-ceo-levente-szelyes-leading-a-romanian-frigate-in-international-waters&catid=135:interviews&Itemid=399