

# Fortune 500 migrants' sea change

A father and son team whose work is in demand from Fortune 500 companies has brought world-class business optimisation capability to Adelaide.

It's a sea change of sorts for Prof Zbigniew Michalewicz and son Matt, whose new company SolveIT Software has set up shop in the Plaza Building on North Terrace, Adelaide.

SolveIT is the second major venture for the pair, whose previous company in the US grew to 150 employees before they sold out.

SolveIT is based on Prof Michalewicz's work in heuristic mathematics where he has developed adaptive business intelligence software that learns from experience with users' data.

Basically, SolveIT helps a client optimise profits by spotting problems in business processes – finding out where the bottlenecks are – and helping firms predict the future. Another product line tells clients what their customers want and why they come through the door.

"We make it possible to find out things about customers – why are they coming to you? Why are they leaving? If our competitors make a change, do we have to change too?" says Matt Michalewicz, a consummate marketer who raised US\$15million in venture capital for his previous company.

Previous clients include General Motors, Ford, Bank of America, Siemens, Chevron-Texaco, Honda, Boeing, Procter Et Gamble, DuPont, Wells Fargo and Unilever. The Michalewicz team wants to duplicate their success here.

Matt came here for the international IT convention in 2002. He was attracted by the quality of life in a city of very convenient size and initiated the move.

"The biggest difference between Australia and the USA is that your awareness level can be much higher here," Matt says.

"Over here there are not 500 competitors. That adds to the level of interest."

After Matt paved the way in April 2004, Zbigniew followed in December 2004 after landing a post in a top faculty in one of the world's great universities.

"The University of Adelaide has a very good reputation as a quality research institution," he says.

As well as walking into a great job, the business opportunity was timely. Adelaide is close to the great centre of business gravity developing in China, where Zbigniew makes regular presentations and keynote speeches.

He is also finishing a book on adaptive business intelligence, to make the principles more accessible to the mainstream: "My publishers tell me one formula per page can cut my audience by half," he quips.

The complicated mathematics reflect a tough exercise in "drilling down" that offers more benefit the bigger the client is.



Matt Michalewicz adds his wealth of worldly experience and business acumen to SA's business prospects.

Most of the work in a SolveIT project involves getting the right sort of data from the client – data that will tell the client what he or she wants to know. That can be surprisingly difficult.

"If you don't look for that knowledge you end up with the client being sold the perfect solution to the wrong problem," Matt says.

"You need historical data and the right amount of it. The installing and training come later."

Matt wants to make what the SolveIT products do more easy to understand by more clearly defining their business optimisation and business forecasting products.

"They will never be off-the-shelf, but there's not a 24-month installation process, either," he says.

At the moment a project typically takes four to six months, but Matt wants that to be three to five.

SolveIT is opening a Chinese office, with details now being finalised.

The pair are happy with the level of expertise available and expect to open the branch in November-December this year in Wuhan, a "small city" of 10 million people close to Shanghai and the mammoth Three Gorges Dam infrastructure project.

"We are committed to keeping the head office in Adelaide for the long term," Matt says. "There are no strategic advantages to being in Sydney or Melbourne, but there are cost disadvantages to being there."

"We will have sales offices in other cities, but they will be focused on penetrating local markets."

Matt wants to interact with the local ICT community, employ graduates and "be a company that makes a difference to the economy of the state."

"We're not here to extract a good lifestyle," he says.

*Matt Michalewicz, a trained management consultant, will be a regular contributor to in-business on business optimisation issues (See page 59, this issue).*

