

# Demand boosts Zephyr payroll

TOM PULLAR-STRECKER

BUOYANT demand from public sector clients has helped Wellington IT consultancy Zephyr grow from a two-person company to a mid-sized consultancy employing 21 staff and permanent and casual contractors in just 12 months.

The company celebrated its first birthday last week and has now reached billings of \$1 million.

It hopes to turn over \$3 million in the year to the end of March and expand its core team of staff and contractors from 15 to 25 within a year.

Graeme McInteer, one of three owner-directors, says demand for IT consultants is extremely strong. "I haven't seen a market like it for 16 years."

Zephyr was formed by fellow owner-directors Sonjia Campbell and David Joyce, who left rival consultancy Xacta after an ownership change, before being joined by Mr McInteer.

The company specialises in "high-level" consulting, providing strategic planning, business analysis and project management.

Its clients include ACC, Inland Revenue, the Justice Ministry, the Corrections Department, Land Information New Zealand and Foodstuffs.

Several years ago, locally owned consultancies were often struggling to win business from such blue-chip clients against competition from the "big five" multinational consultancies.

But Mr McInteer says Accenture's



**Buoyant times:** Zephyr directors Graeme McInteer, left, and David Joyce.

Picture: KENT BLECHYNDEN

decision to pull out of New Zealand in June 2002 with the loss of 105 jobs turned out to be a good thing for local consultancies, making clients realise they weren't getting much extra security by dealing with the global giants.

Zephyr has started a two-person

sister company in Auckland, created by two former staff and is weighing up broadening its range of services by setting up a software development arm.

It would carry out small-scale Microsoft developments for clients in-house. It may also set up a technical

support arm to look after servers and PCs for small government agencies.

Mr McInteer says the Wellington IT market has been buoyant under a Labour government, but departments have their own initiatives in train which will provide a steady supply of work for a year or two.



# Zephyr profits from winds of change

**TOM PULLAR-STRECKER**

WELLINGTON technology consultancy Zephyr has grown from two to 31 staff and contractors in just two years, on the back of a booming market for high-end consulting.

Now it has set up a software subsidiary, Zephyr Solutions, that hopes to persuade businesses and government departments to migrate their legacy systems on to new technology platforms, rather than throw them away.

The subsidiary has a foot in the door at Inland Revenue, helping it migrate two minor applications from Cobol using automated tools that can rewrite code to run on .Net or Java.

The tools, sourced from Canada and Britain, take each line of legacy code and replicate it in modern computing languages. Such tools vary in the quality of code they deliver and the amount of manual intervention required. Zephyr is using a couple of good ones, says Zephyr Solutions head John Price.

He says migrating legacy software can cost a tenth of the price of rewriting applications from scratch and comes into its own if businesses want to update their software without changing their business rules.

Staff with skills in dated languages such as Cobol are now in short supply and migrating to

.Net and Java can also help customers shift applications off expensive mainframes to commodity Intel-based servers, he says.

Inland Revenue's First system and the Social Development Ministry's Swift payment engine are examples of large Cobol applications that are getting past their use-by date and are threatening to cause support headaches.

Zephyr director Graeme McInteer says the company would like to play a role in migrating these applications.

Zephyr turned over more than \$3 million in the year to March, up from \$1m the previous year, and is on track for \$4.2m this year.