



INDIA

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INSIDE



Spooky To Spectacular
The World's Most Fascinating Forests



Pagani Huayra BC
Powerful And Rare
Bewinged Beauty

Pursuit Of Calm
Unusual Ways To Meditate For The Restless



Virender Aggarwal, CEO, Ramco Systems

Innovate And Disrupt

Winning Practices
Bridge The Gap Between Strategy And Execution



INSIGHT HOW TO BUILD A HIGH-PERFORMING ORGANISATION



“Innovation is
our truest
differentiator”

Ramco Systems, the leading Indian enterprise software provider, is in rapid growth mode. Over the past few years, Ramco has built an edge for itself focussing on next generation born-in-the-cloud enterprise solutions, which is helping it take competition from ERP (enterprise resource planning) behemoths, like Oracle and SAP, head on. What sets Ramco apart from legacy ERP vendors, claims the company, are not only factors such as cost and time — its cloud-based ERP and other solutions are significantly quicker to deploy and much cheaper, not to mention the 'zero capital' expenditure on IT infrastructure — but also the game-changing innovations such as cognitive and robotic ERP features built in the solutions. "With its future-ready ERP offering, Ramco has stood tall as a nimble-footed David, alongside the industry Goliaths like SAP and Oracle, and has showcased expertise in quicker deployment," says **Virender Aggarwal**, CEO, Ramco Systems. Since he took over the top job at Ramco in 2012, Aggarwal has made 'innovation' a cornerstone of his growth strategy. "Innovation and disruptive technologies are key to the growth in a world where business models are getting disrupted every day," he says. Another mainstay of his strategy has been his focus on niche verticals such as aviation, human capital management (HCM), and logistics. Today, Ramco's Aviation solution powers over 4,000 aircraft and its clients include Emirates, Malaysia Airlines, Petroleum Helicopters, Cobham Aviation Services, Columbia Helicopters, Able Engineering & Aerospace, and so on. Its HCM solution, on the other hand, is clocking two wins every week. The Chennai-based company, a part of the \$1 billion Ramco Group, registered a 36 per cent revenue growth in FY14-15, and its profit jumped by 225 per cent in Q3 FY15-16. Notably, 76 per cent of the company's revenue comes from markets outside India — a testimony to the acceptance and success of the brand in highly matured markets. In an interview with *CEO India*, Aggarwal talks about his plans to keep Ramco ahead of the curve in the highly competitive and fast-changing market space.

How do you address security concerns of organisations that are wary of putting data on third-party clouds?

Security concerns over storing data on third-party clouds have been addressed with due intelligence over the years. We work with partners like AWS and Azure who lay stringent guidelines when it comes to storing data on clouds. Our hosting partners have adequate procedures in place to ensure security as well as privacy of information for the clients we work with.

Our partners work hand-in-hand with us to support enterprises through the co-development of a cyber-resilient cloud space. With improved security in place, businesses can meet their information and risk management needs with increased efficiency.

What is the product positioning of the cloud-based ERP (enterprise resource planning) solutions you offer?

Digitisation of businesses is a reality. In a world where robots are gearing to enter the front office, enterprises need to think radically to survive. Focussing

on ERP as a tool to improve operations will no longer suffice. It is here that born-in-cloud enterprise solutions are redefining the digital backbone of organisations that are keen to innovate and succeed in a volatile, uncertain and complex market.

Ramco offers a comprehensive end-to-end ERP suite which encompasses the entire spectrum of business requirements and functionalities under a single scalable platform. Hence, our positioning is that of a "Complete, yet Refreshingly Simple" solution.

At Ramco, our key focus is on innovation. On the innovation front, we have been moving towards cognitive and robotic ERP with features such as "Mail It" — which enables users to transact with the application, by just sending an email; "Hub It" — a one-screen-does-it-all concept built to address all activities of a user; "Thumb It" — mobility where the system presents users with the option to choose rather than type values; and "Prompt It" — a cognitive ability which will let the system complete the transaction and prompts the user for approval.

Who do you consider as competition and what is your differentiation strategy?

Our marketplace consists of companies

of varying sizes and needs. Several key enterprise solution providers, consisting of both legacy as well as cloud-based vendors, have been vying for the cloud enterprise applications market. Moreover, our competition is also based on the product offering and the geography we are addressing. With its future-ready ERP offering, Ramco has stood tall as a nimble-footed David, alongside the industry Goliaths like SAP and Oracle, and has showcased expertise in quicker deployment. We sit comfortably somewhere between a NetSuite, an SAP or an Oracle. We also counter niche competition in aviation, like AMOS or TRAX.

What were your 2015 results like and what do you think 2016 will look like?

2015 saw us stabilising and showing a healthy growth. While most SaaS (software as a service) players across the world are yet to turn profitable, Ramco has beaten the trend; recording topline growth. The revenue across geographies showed a healthy split with international markets contributing 76 per cent to the overall revenue — a testimony to the acceptance and success of the product in highly matured markets.

2016 has started off on a good note. We bagged the CIO Choice Honor & Recognition 2016 award for HR & Global Payroll in India as well as the HR Vendor of the Year recognition in Malaysia, Singapore and Hong Kong.

What market do you see for your aviation software?

Ramco's unique offering of a "comprehensive" aviation suite, which is next-gen focussed, beats the best-of-breed solutions available in the market. Ranked as Technology Innovation Champions by Frost & Sullivan, our aircraft-related IT solution (Ramco Aviation Series 5) provides a mission-critical maintenance and engineering software, built ground up for the aviation industry. With a wide range of customers with a fleet of three to over 400, Ramco Aviation caters to the needs of airlines, heli-operators, MRO (maintenance, repair and overhaul) providers, and charter operators. World's largest helicopter, A380, and business jet operators run on Ramco Aviation. With the largest operators



of seven aviation original equipment manufacturers (OEMs), Ramco Aviation today powers over 4,000 aircraft and 17,000 users, globally.

The aviation market has many homegrown and legacy applications in use and we have a good market opportunity ahead of us, to capture it with our cloud- and mobile-based applications.

RAMCO HCM (human capital management) on cloud and ERP are your key products. What other products do you offer?

Other than our HCM and ERP offerings, we also have a comprehensive, technologically-advanced solution for the aviation industry. Ramco Aviation Suite is an M&E/MRO (maintenance, repair, overhaul and engineering) solution built ground up for the aviation industry and it caters to the typical needs of airlines, heli-operators, MROs and charter operations. It is key to note that Ramco is the only aviation software vendor with its roots in ERP. There is no MRO software vendor giving ERP and no notable ERP vendor providing proper MRO.

And, on the ERP front, while we provide an end-to-end comprehensive ERP solution, our focus is on two niche segments — logistics and EAM (enterprise asset management). While Ramco Logistics Software is an integrated cloud-based platform for third-party logistics, freight forwarders, and parcel/courier service providers seeking a high-performance logistics software, Ramco Enterprise Asset Management (EAM) is an easy-to-use, powerful, mature and comprehensive solution across verticals like power plants, airlines, real estate, government, and so on.

What are your expansion plans for the logistics and airline sectors? What kind of growth potential do you see there?

Thanks to the growth in e-commerce and Uberisation trends, the logistics industry has had a surge in demand in the recent past. Interestingly, very few end-to-end ERP vendors have a comprehensive suite to address the end-to-end needs of this segment. The ones who have an offering are the traditional vendors who come with their



Focussing on ERP as a tool to improve operations will no longer suffice. It is here that born-in-cloud enterprise solutions are redefining the digital backbone of organisations that are keen to succeed in a volatile market

legacy baggage and hefty price tag.

As the logistics industry functions with wafer-thin margins, cloud technology is a great value differentiator. With strategic wins in the third-party logistics, freight and courier service providers space, we look forward to foraying into new geographies with our solution.

On the aviation front, we are among the global leaders and our focus is on simplifying the user interface and providing technology solutions to address the unique business pain points faced by this segment. With increasing focus on mobility functions and process automation, systems are being replaced by innovative interfaces that significantly reduce data entry and automate repetitive processes, to the extent that it moves towards a Zero UI (user interface). The mobility offerings from Ramco for the aviation industry include — Mechanic Anywhere, Warehouse Anywhere, Approve Anywhere, Fly Anywhere, Customer Anywhere and Route Anywhere. Various other solutions that are available from Ramco today are — Resource Management & Optimisation Solution (RMOS); Component Maintenance Optimisation Solution



(CMOS); Tail Assignment Optimisation (TAO); Maintenance Optimisation & Shift Planning (MOSP); and so on.

What advantages do you think you have over ERP giants Oracle and SAP?

Ramco believes innovation is the truest differentiator for any organisation in this fast changing world where business models are getting disrupted every day. A key advantage we have over the legacy ERP vendors is the fact that all our product offerings are "born in the cloud", and are grown organically on the same platform. This keeps the integration woes at bay, ensuring we provide a multi-tenanted mobile suite of applications that are integrated, more like woven from the same fabric. This makes it easier for businesses to perform operations seamlessly.

In 2012, Ramco entered the Australian market. How has that experience been and did you meet your business goals?

Having established a footprint in Australia, Ramco has witnessed soaring growth in the last few years. Ramco has been a global player in enterprise cloud applications and its establishment in

Australia was driven by the determination to bring postmodern systems to help organisations realise business benefits and support them in the pursuit of growth and efficiencies. Ramco's entry in Australia was not much about creating a huge initial euphoria, the focus and determination were to ensure the creation of lasting business value for our clients by bringing in the IPs in the form of applications and methodologies. We believe we are successful when our clients realise the business benefits and create disruptions in the industry vertical, to which they belong.

The result, Ramco has successfully added marquee customers, including a Fortune 1000 manufacturing company, aviation services company spread across multiple geographies, and a tier 2 third-party logistics company. From one to 15 customers in two years, the company has witnessed a five-fold revenue growth from the region.

Do you have any plans to target international markets?

Ramco's revenues reflect a 76 per cent revenue inflow from markets outside India. This stands as a proud testimony

to the fact that Indian product companies and their Made-in-India products shine bright in the global arena.

Where do you source your talent from and what is your retention strategy in this very competitive market?

We hire from tier 1 colleges and have very high entry criteria. We strongly believe, hiring the best is key to building world-class products. Ramco's culture believes in encouraging all employees to be outward focussed and customer driven. There is an inherent effort to build a flat and open organisation. Innovation through fun at work is a concept that Ramco is both preaching, as well as, practicing.

Some of the innovative practices include:

- Coffee with the CEO
- Video-games at work
- Stretch a little with zumba
- Yoga for the soul
- Cabin-less offices
- Get fit with cross-fit
- Subsidised health-conscious food

Which are some of your largest and more high profile client relationships?

Ramco has under its belt Fortune 500 listed clients as well as established players like Emirates, Malaysia Airlines, Columbia Helicopters, Norske Skog, Essex, Schneider Electric, Valiram, Dabur to name a few, for Ramco's various product offerings.

The trust that Ramco has won, globally, has been reiterated by the launch of the Innovation Lab in partnership with Air France Industries KLM Engineering & Maintenance as the first anchor partner, supported by the Singapore Economic Development Board.

Could you please elaborate on the "Mail It" and "Prompt It" features that your ERP products offer?

We, at Ramco, believe that cognitive ERP will lead the way in the near future. New features such as Mail It — a feature which enables users to transact with the application by just sending an email; and Prompt It — a cognitive ability which will let the system auto prompt with options for decision-making; help organisations take the next major digital leap.

Mail It: There are a number of high volume, low complexity transactions that

require a user to log into the system, find the relevant page, enter the data, and exit the system. The time it takes to log into the system and find the right transaction and exit the system is much more than the time it takes to actually key in the necessary data. The idea behind the Mail It feature is to reduce the time taken in traversing menus, by allowing the user to get the relevant data, by sending an email.

For example, with the Ramco Mail It feature, one can check the status of a purchase request (PR) by just sending a simple e-mail to the system and get a quick response to the query via an e-mail.

Prompt It: Prompt It is Ramco's answer to the quest for an intelligent application that recommends, rather than merely executes transactions. The Prompt It feature is powered by Ramco "Genie". Genie is an intelligent engine that learns from the user's behaviour to provide prescriptive insights to the user and incorporates actioned behaviour to automate routine actions. In other words, Genie prompts a user for his or her next course of action. As Genie gets used to the user and the organisation, it evolves into a more powerful system that can act on its own and even

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complete transactions that do not require the user's attention.

What is the deployment and after sales support that you provide to clients that buy your products?

Ramco offers the following support, post implementation:

Product support service: The services related to ongoing improvement and up gradation of the basic Ramco Product are covered under the Product Support Services (PSS).

Application maintenance services: The Application Maintenance Services (AMS) Agreement covers the operational support of Ramco application that is configured/ customised specific to the individual customer and is not covered in this license and PSS agreement. These services cover assistance related to run the business, improve management of IT services and assist with business and IT transformation or any other focussed interventions using Ramco software/product. These services can be provided by Ramco directly or a Ramco-certified partner.

RAMCO HCM on the Cloud won the Best HR Software in APAC award.

Are there plans to take it to markets outside of Asia?

With an increasing number of American businesses switching to cloud-based HCM (human capital management) offerings, in 2015, Ramco launched its HCM offering for the US market, at the HR Tech Show 2015, in Las Vegas.

Ramco HCM has been lauded by customers and industry experts for its "cool" user-defined interface and its ability to automate and aid in making smart decisions. The HCM offering is bundled with a global payroll solution, which adds to the strength of Ramco's innovative offerings in the disruptive era. Notably, Ramco's Global Payroll is compliant across 40 countries.

Tell us about the technology platform that underlies your applications?

Our applications are developed on an in-house platform, Ramco VirtualWorks®. The platform is a tested enterprise cloud computing platform that enables the development of multi-tenant, robust and scalable web-enabled solutions.

