

Need to adopt latest technologies to keep pace with dynamic and ever changing building industry

Ramco Systems provides next generation, end-to-end enterprise solutions that render complete transformation of the business in real time. Built on Ramco VirtualWorks®, all Ramco products are cloud architected by design and address the entire business cycle from transaction to analytics. Part of the \$1billion Ramco Group, the company offers ERP, HCM, SCM, CRM, Financials, Service Management, Asset Management, Process Control, Project Management and Analytics to multiple verticals on the most appropriate cloud model—public, private and community. Ramco focuses on providing innovative business solutions that can be delivered quickly and cost-effectively in complex environments. Globally, Ramco has over 150,000 users from 1000 plus customer organisations. The company currently has 20 offices spread across India, USA, Canada, Europe, Middle East, South Africa and APAC. **RAMESH BABU, CHIEF DELIVERY OFFICER & BUSINESS HEAD – ERP ON CLOUD, RAMCO SYSTEMS** responded to **CONSTRUCTION OPPORTUNITIES** queries.

Give us an idea of the various technological solutions your company is offering in the building and infrastructure space in India?

We provide comprehensive ERP, in on-premise and on Cloud deployment models. Ramco ERP provides industry specific functionalities for all phases of construction/ building and infrastructure cycle: Pre-construction (land bank, sanctions, approvals, estimations,

mutation/partition/transfer/sale), sales and marketing (ads, promos, opportunities, leads, property blocking, sale deed, payment schedule, milestone completion, commissions, incentives), construction and project management (WBS, BOQ, work orders, purchase, sub-contracting, progress reporting, RA bill); Leasing (property reservation/handover, rental agreement, broker commission, billing, revenue sharing, event management, food court management, property surrender, renewal, parking) and post construction (area and meter-based services, maintenance, utility billings). Our USP is that industry specific functionality is tightly integrated into the standard ERP functions such as financials, purchase, stores and HR, and offered at a great value. Business Analytics is also included as a vital part of our offering.

Tell us about the specific areas of construction and infrastructure where your solutions have been utilised?

Customers have been benefiting from the Ramco EPC Solution. Some of the key

differentiators where Ramco has eased the operational activities are:

- Custom dashboards to alert on project delay or any activity completed
- Running Accounts (RA) bill collection and payment history
- Total procurement record for the project
- Email/SMS alerts for Work Order Generation.

Could you tell us of the clients serviced by your company – and also offer us some case studies of key projects where your software solutions have been employed successfully?

In India, we serve many leading construction players like DLF, Puravankara, Aparna Constructions and globally some of our EPC customers include BL Harbert, Ranhill among others.

Tell us about your presence and work overseas?

We've been expanding our presence and establishing our footprint in various markets across the globe. In the overseas



we have a number of clients from the building and infrastructure industry. Industry players like Engsol (Middle East) and ADC Energy Systems (Middle East), have been using the Project Management module to plan, budget and track their projects. Also, a global giant in the field of EPC from Japan has entrusted Ramco to handle its end to end business operations.

Give us an understanding of the competitive advantage your clients have gained by using your company's solutions – particularly with reference to structural engineering and on the project management side bringing down cost and time overruns?

Ramco ERP on Cloud for the EPC industry is a comprehensive solution covering a full lifecycle of EPC assets. Ramco understands the major challenges faced by the EPC industry and offers solution that can overcome hassles like Lack of EPC specific fully integrated ERP, milestone based payments, contractor job management and many more. A few areas where our customers have achieved operational excellence through Ramco's offerings and have also gained competitive advantage are:

- Readymade availability of purchase history across locations, projects and vendors
- Clear accountability on project managers to control adhoc expenditure
- Improved traceability on reusable capital machinery & tools
- Availability of proper supporting data for shadow budgeting

As software solutions provider what are the challenges you face in an ever changing and dynamic work environment particularly when it comes persuading clients to adopt technological solutions?

The building and infrastructure industry has been dynamic and ever changing. To keep pace with the changing business scenarios, we definitely need to adopt latest technologies and provide solutions that can cater to the growing customer needs.

Also, users today are eyeing for a solution which is user friendly and easily adaptable. Users today are also evaluating smarter

solutions that would give them a real time business view and enable them to take decisions on the move. Ramco ERP on Cloud for the EPC industry, best fits these aspects with its offerings revolving around MUSIC, ensuring users benefit from features like Mobility, user interface, social, in-memory and Context-aware.

What are the strategies your company has employed to market its products & services?

Ramco has been growing its presence across the globe. We've been strategising our approach through various mediums. Globally, our GTM strategy is partner driven. Our partners are involved in all aspects of business, business development, sales, delivery, development or personalisation and post-delivery support. We also have boutique partners who have expertise in the EPC industry.

Give us an understanding of the current trends in terms of technological applications and usage? Where does India's construction and infrastructure sector stand in terms of tech usage and give us an idea of India as a market for technological solutions such as those offered by your firm?

Today, businesses whether large or small require technology to streamline their businesses and ensure transparency in their operations. With the advent of cost-effective and newer technologies such as cloud, the traditional business challenges are effectively handled. There is a growing demand from small and mid-sized companies that don't have IT muscle looking at using ERP without owning it and without investing too much. This has triggered the demand for Cloud based solutions offered on Software as a Service model. In addition to cost savings, companies are also looking for quicker time to value.

Lack of strong in-house IT advocates makes our job extremely difficult compared to other industries. There is also reluctance to use software as it's perceived to have in-built rigid business processes. High cash based transactions in construction industry poses challenge as well. These factors along with tight budgets make sales cycles very challenging, and lengthy.

Cost is often a deterrent for adoption of technology by Indian construction and infrastructure firms? Do you see that changing and how can the cost of technological solutions be brought down?

Time is the essence of any construction project. In our country the perennial problem of the construction industry is Project Schedule overrun resulting to Cost overrun as well. There are several ways and means by which the construction industry can be benefited from the cost perspective. Some of those are furnished below:

- Faster execution and completion of a project.
- Usage of less Material through automated designs as against conventional designs with unnecessary safety factors considered.
- Tighter control on inventory resulting substantial reduction in cost of finance
- Efficient cash and fund flow management system maintaining parity between inflow and outflow.
- Tighter control on debtors through effective management resulting faster collection
- Integrated budget validation at every stage
- Empowering people to take accurate and timely decision resulting cost savings
- With the advent of Cloud, organisations now needn't worry about annual maintenance charges, upgrades, operational and support costs, datacenter related costs and other operating expenses.

Could you talk of your company's business performance through 2013, important contracts bagged, key learnings, your plans for expansion and targets for 2014?

In the year 2013, we've witnessed many big Indian and global conglomerates opting Ramco's solution for both On-Premise and Cloud solution. EPC as an industry is opening up to embrace technology and latest features. Thus, cloud solution is now becoming a preferred option among them and big conglomerates are also leaning towards the cloud. ♦

**CASE STUDY****THE DLF GROUP**

Here's a saga of a well-known infrastructure developer that has used technology to lay a strong foundation for all its ventures and processes. DLF has pioneered townships and group housing in India and has to its credit over 363 million sq ft of planned projects with 52 million sq ft of projects under construction. Over the years, the group has become a name to reckon with in the domain of contemporary urban development and housing across the country, with many urban landmarks to its credit.

IT CORE

The group's journey of over 60 years is marked by the adoption of several of IT best practices. The company uses several software to automate and digitize different operations like autocad for designing; software for project monitoring; and the Microsoft Exchange mailing solution for communication. The group uses video conferencing at all major offices. The company's website is also search engine optimized. To maintain a swift workflow, DLF kept developing different in-house IT applications as well.

PAIN POINTS

Though these software applications did wonderfully for their respective

processes, they developed into islands of applications leading to duplication of data, factual discrepancies, and disjointed processes. The management realized that these applications were good only when they were restricted to a particular business/vertical and were hampering the exponential growth that the organisation was otherwise achieving. With the increase in DLF's physical locations and diversification into different verticals, there was a pressing need for a unified/integrated ERP application that could give a comprehensive view of the organisational operations, providing critical information, instantaneously—in relation to any of its customer or stakeholders.

ERP SOLUTION

To address this challenge and close the organisational gaps, and to take fullest advantage of future opportunities, after careful analysis, DLF management zeroed down on Ramco's ERP solution. Even Ramco didn't have a ready-made solution to address all of DLF's challenges. But the technology that they were using put them in a better position to come up with a solution.

THE COMPLEXITIES

"To migrate 15 years of legacy data residing across the multiple companies,

organization units and numerous finance books of DLF was a humongous task. But Ramco accomplished the daunting project successfully, dealing with each complexity head-on," says Ramesh Babu, Chief Delivery Officer & Business Head – ERP on Cloud, Ramco Systems. The project was implemented in multiple phases for various companies doing different businesses under the DLF brand. The first roll out happened in February 2007, and the implementation across the board for all modules got completed in February 2008.

The decision to effect the implementation was done in a phased manner. The deployment now covers most of DLF's business processes

THE ROI

The solution developed using Ramco VirtualWorks has eliminated the operational/ data redundancies, enhanced the flow of information, and has thus significantly improved productivity and profitability.

The platform offers service billing, which includes the generation of bills for maintenance, water and electricity charges; mall leasing and corporate leasing; retail and residential sales; construction procurement and payables; promotional/deferred revenue billing, etc. ◆