

Apollo Industries

An Interview with CEO – Dharmesh Mashru

Apollo Industries, a market leader in Road Construction Equipment with global sales operation and centralized production facility. Apollo is BSE listed firm with strong revenues, growth, well established product portfolio and talented team.

For the last decade, a lot of emphasis has been given to infrastructure in India and while this represents a potentially higher market opportunity it has also led to increased competition and for an innovative market leader such as Apollo, increased challenges to maintain its leadership position. This led to the company looking at its critical business processes and has prioritized the processes that needed to be strengthened using technology, evaluated different technology platform and finally put in place a strong framework to help the organization scale.

Mr. Dharmesh Mashru, CEO, Apollo Industries has played various roles including senior leadership positions in close to 30 years of experience in various Indian and Multi-National organizations primarily related to the machinery manufacturing industry. His immense experience in the machinery manufacturing industry helps in his role at Apollo Industries of business strategies, product strategies, operations management, strategic alliances and team building.

In this interview, Mr. Mashru, who has been at forefront of this transition at Apollo, shares his insights on pressures of being a market leader, competition, the current market condition internationally and its impact on India, their key strategies to manage growth and how they leverage cloud technology to manage their business processes to enable this growth.

KVP: Over the last decade, focus on infrastructure in India has been very high, how has it impacted Apollo?

Dharmesh Mashru : At Apollo, we have had a long heritage of building great products, strong customer focus, good and loyal employees and fantastic service culture. As a leader with a large market share, we are always under pressure to perform and meet market expectations.

“Today the global industrial equipment market is undergoing a consolidation. The market is also shrinking due to stagnation in the developed nations across North America and Europe, political and economic instability in Africa and Middle East is also stressing the current players to look at Asia”.

India and China, on the other hand are investing and driving the growth in infrastructure and while this presents a great

opportunity, there is also an increased competition as all players are eyeing this market. Any new entrant in Indian market will need to come up with various innovative and attractive customer approach strategies to break into the market where a very strong player like Apollo is present. This throws a challenge to Apollo to maintain customer contact and keep educating customers against any such eye-catching strategies.

Apart from competition, while there is a strong thrust on road infrastructure development in India, there a gap between planning and ground reality. The rate of plan implementation is slow, add to it the usual bureaucratic hurdles means that there is a lack of momentum in actual implementation as compared to what is being projected. Hence, the competition is being attracted by the projected figures without actual demand having reached close to it.

KVP: What were the steps you took to go about in identifying setting up right foundation to manage growth strategies?

Dharmesh Mashru: The real value of any strategy is only when it is put into action and implemented. We ensure all actions are well governed by a strong yet simple process. An important aspect is to make sure that every process is a part of the work life and should enable individuals to be more productive. In order for the team to be productive and effective a technology back bone is critical which can automate those processes. The technology that we

use for automation should be simple to use yet be effective and scalable. This is critical as if the users do not adopt the system, then the entire decision making function cannot operate efficiently.

Also, businesses adapt and scale over a period of time and it is important that the technology is flexible and scalable to incorporate the requirements of not just today but also those of the future without having to reinvent the wheel all over again. Investments in technology would mean that the returns happen over an extended timeframe and hence the technology needs to be relevant for a fairly long period of time to justify the investment.

Keeping these in mind and to ensure we defined the right foundation we chose a process driven cloud technology solution which is cost-effective, flexible and scalable.

KVP: What are your priorities as a business to address this challenge?

Dharmesh Mashru: For us to maintain the pace of growth, taking our competition head-on and striving for market share is core to our business in the current situation. For this, the priorities would be as follows:

- **Increase customer intimacy:** Close contact customers educating them about our product features and providing them with factual information to help them judge the project and also helped bring the perspective of the users into the entire system.

- being adopted by new competitors on board
- Strengthen account relationship to ensure higher customer satisfaction
- Increased focus / research on new product development and product upgrades to maintain market leader position
- Improve efficiency using effective communication between sales and backend production to reduce cycle time and improve operational efficiencies and eliminate communication gaps and provide effective analytical tools for better decision making.
- Analyze competitive landscape and refine go-to-market plan to retain and grow market share
- Control on cost at all levels for cost-effective product manufacturing

KVP: You have good adoption rate on technology, what actions you took to ensure user adoption?

Dharmesh Mashru: Team acceptance and buy-in is critical for any system to effectively perform. We defined a core user group and involved them upfront during process planning. This involvement helped us gain the trust and confidence from users group upfront and also gave them a sense of ownership.

The Core group defined the need from the system and what the objectives of system are. This helped us bind the core group to and provide a structured information.

We made sure that we kept users in the centre while defining the system and always questioned as to how the users will be benefited from the system

We also documented the reports and dashboards we need from the system upfront so that there is clarity of system structuring with the outputs in the mind.

The system covered a larger scope with strong positive compulsions to ensure there is enough motivation for the users to make it a part of their work life. For example: We are building quotes and quote approval from the system, we ensure sales orders for production are driven out of the system.

KVP: What were the key business processes you wanted to address as a part of your growth strategies?

Dharmesh Mashru: A key part of our business success lies in the ability to identify the market opportunity in order to qualify it correctly and gain an early mover advantage. As market leader and established brand, we do get to be part of most of the opportunities due to strong brand pull but in order to maintain that position especially in a market that is slowly becoming difficult for reasons mentioned previously, we should be more proactive in our approach to the market. Hence, structuring our market intelligence impacts our margins but also has a significant impact on customer satisfaction. And last but not the least streamline after sales support function and a tool that can monitor our large equipment base, large team of customer care across the country and collection, analyzing and sharing tool is the priority.

The next is to improve our business cycles by using effective quoting mechanism and improve approval mechanisms in a manner that is systematic, standardized, quick and transparent.

This apart, dispatch and invoicing are done from the system and finally we go the entire customer support organization to be covered as part of the platform to ensure we optimize utilization and also bring right focus on system.

Training and hands-on orientation was provided not just for users but also for management on what and how they could extract data for effective analytics. In fact, the hand holding was extended over a period of time with continuous support and monitoring being done to make sure that users were provided adequate support during the period of transition.

Structuring the domain knowledge and providing a secure tool to disseminate was also critical given the width and depth of our product lines, technical diversity, large team and anticipated increase in attrition rate due to anticipated increase in competition. This ensures that we reduce the internal delays within the organization and provide more connect with the customer.

Third, was to streamline front-line sales and back-end operations to ensure effective communication in order to avoid any gaps and reduce inefficiencies that not only provide exceptional alerts and reports to the line managers for them to be proactive and improve customer satisfaction levels.

In summary:

- Management involvement and reviews through the system is the most important function of adoption
- The system becomes a tool to improve the operational manager’s own efficiency and performance. The system also instead of being viewed as monitoring and data collection tool or being imposed by the management is extremely important to gain ownership and imbibe self propelling force in using the system.
- Defining process upfront and involving user group during the development stage helped improve commitment as well as to incorporate all the ground zero conditions and practicalities beforehand.
- Evaluate and select the tool based on an analysis of the feature sets required for executing the process efficiently
- Use the system much beyond data repository and reporting system by introducing and covering processes which will improve productivity and collaboration across the board. The information must flow seamlessly from one process to the next without needing duplicate data entry to avoid the potential error points and also to reduce the boredom.
- The initiative should be spearheaded by a management representative and driven as a corporate initiative rather than a tool implementation

Customer Testimonial

“Apollo is a market leader in road construction equipment in India. To maintain the leadership edge and scale the business, we decided to re-engineer our customer management process and enhance quality of market intelligence and business forecasting. KVP was an ideal partner for us in this re-engineering initiative. They brought innovative ideas and industry best-practices which helped us re-define marketing, sales, pre-sales, production, finance, service and after market processes. We now have an integrated process and system which gives us the competitive advantage to reach and respond to market situations and our customers more effectively. The most important aspect of KVP approach was not to fit a standard solution but to thoroughly understand our business need and then strive to configure a tool to meet the requirements”

– Dharmesh Mashru, CEO, Apollo Industries.