



## **K S Ganesan: RIM, The Third Wave Of Outsourcing**

**After application development and maintenance (ADM) and BPO, remote infrastructure management (RIM) could be the next big offshore opportunity for India. According to NASSCOM, RIM as an independent industry could realise \$26-28 billion in revenues by 2013, with India capturing as much as 50-55 per cent share of this. For India to sustain its leadership in offshoring and realise the full benefits of the RIM opportunity, several challenges must be addressed. EFYTimes caught up with K S Ganesan, chief technology officer, Microland Ltd, to find out how the company is helping Indian companies drive their own business transformation.**

### **EFYTimes: What do you actually mean by remote infrastructure management concept?**

**Ganesan:** Remote infrastructure management (RIM) is a service that works on the ability to remotely manage, monitor and control IT infrastructure for clients located across the globe. By IT infrastructure, we mean networks, desktops, servers, storage devices, routers, security, backup and so on. The client can have multiple data centres situated globally, but they are managed out of a single location, remotely, 24x7. It involves collaborating with multiple vendors, site contacts across time zones across multiple technologies for continuous availability of infrastructure to ensure continuity in business and operations.

RIM is a young business with a decade long history. In 1995, Microland added to its growing list of achievements by launching India's first Global Network Support Centre, becoming a pioneer in what is called the 'third wave of outsourcing' (the first wave being software outsourcing and the second being BPO). Today, Microland is listed by Global Services amongst the *Top 10 Best Performing Infrastructure Service Providers*. We have also been listed this year in the DataQuest Top 200.

### **EFYTimes: What kind of industry sectors need RIM solutions and how different is it from the traditional model?**

**Ganesan:** Anyone with a computer network needs infrastructure management in some form or another. Just imagine a bank's ATM network – it needs management, financial services, health care, insurance, manufacturing, education, telcos; they all need RIM. Today, even SMBs are looking at RIMS vendors to manage their networks as their businesses are spread over different geographies, and managing technology is not their core competence.

Most ADM-based operations are project based. However, RIM services predominantly function on real-time mission-critical responses. This approach for real-time, quick and efficient solutions, drives organisations in the RIM service space to follow a high level of standardisation. Organisations in RIMS adopt an SLA-based approach of operations rather than an FTE-based service model, which is adopted by BPO/ADM services.

RIM services require a high level of security while operating on business-critical networks, working alongside other vendors and IT asset managers for prompt response and closure of any issues. This is completely different from a BPO/ADM

service which functions as independent executive bodies.

There is one other critical difference between RIM and traditional outsourcing models: you can decrease your emphasis on software product development, or customer support by reducing the number of hours you provide support in a day, but you cannot stop monitoring and managing your business network. It is mission critical.

**EFYTimes: Could you tell us a bit about the company's operations (presence) in India and globally?**

**Ganesan:** Microland is headquartered in Bengaluru and has a 73,000 sq. ft state-of-the-art facility at Ecospace. We also have another facility of 22,000 sq. ft at Electronic City. We have two offices in the US, one in the UK and five in India. Our teams are also located on site in numerous customer locations, working directly with the customer. Microland has 2,300 employees across geographies.

**EFYTimes: What kind of market do you see in India and abroad? How is this market growing and what is driving this growth?**

**Ganesan:** Early this year, NASSCOM released a report from McKinsey & Company on the RIMS space called *The Next Growth Opportunity for the Indian IT Services Industry*. According to the McKinsey study, \$26-28 billion of the total global RIMS opportunity is likely to be realised by 2013, and India can position itself to acquire a share of around \$14-15 billion.

As any CTO will tell you, about 70 to 80 per cent of all IT tasks can be offshored or remotely managed. The fact that reliable tools and processes exist to monitor and manage networks from low-cost geographies is what is driving growth. RIM vendors are able to demonstrate that availability and reliability of your business network can be substantially improved when managed by domain experts. In addition, the complexity of today's technology is increasing rapidly. An enterprise cannot afford to expend its energies in recruiting and retaining a technology team to manage its network – the team just wouldn't have a challenging enough task and would soon leave for greener pastures. Such companies have begun to opt for RIM vendors.

**EFYTimes: What is unique about your product, service or brand compared to your direct competitors? Why would a customer adopt your solutions?**

**Ganesan:** RIM is a task best given to a specialist. And Microland has deep domain expertise in the area. We have managed – and continue to do so -- the world's largest private email exchange for a Fortune 5 company. The experience, created through managing the infrastructure of more than 200 global customers, is incomparable and our customers can benefit from that experience. A critical factor in identifying a RIM vendor is the vendor's ability to give you management attention – larger, traditional players are not able to do this for mid-sized companies. Microland is perfectly placed to partner such companies.

**EFYTimes: How does Microland help Indian companies drive their own business transformation?**

**Ganesan:** CIOs find themselves under immense pressure to find the right technologies to support and advance the business and IT delivery models which are

available today.

From the business IT standpoint, we define IT services by creating an IT service portfolio around business requirements and benefits. We define IT metrics in business terms like value, utilisation and strategic impact.

**EFYTimes: One of your focus areas seems to be Measurable Competitive Advantage by ensuring RASP (Reliability, Availability, Scalability and Performance) characteristics of IT environment. What exactly does that mean from the point of view of your customers?**

**Ganesan:** By Reliability, we mean a device or a network must behave the way it was intended to by the manufacturer and the end user. By Availability, we mean that the device or network should not be down – in brief, it should be available to the end user, 24x7. By Scalability, we mean the ability of a device or network to grow to manage an increasing number of tasks without having to replace the device or the network. By Performance, we mean the output of the device or network should be at its very best and not fall to a point where business is affected.

**EFYTimes: What is virtual infrastructure management? What role does virtualisation play in this, if any?**

**Ganesan:** “Virtualisation helped us with physical server consolidation thereby containing physical server sprawl, but as days progressed, we have virtual machines all over and we have lost count of them” is one of the common problems faced today. “Virtual machine sprawl” is one amongst many challenges that are being faced by IT managers today in managing virtualised environments. The dynamic nature of virtualised platforms pose an additional dimension in the way service or application is provisioned. How are we going to manage applications that are consumed as services and need to be managed as a service? Does a virtualised infrastructure help improve processes of IT operations? If so, where are those gains? In a dynamic environment like virtualisation, in a way, we are always forced to somehow map tomorrow's problem with yesterday's terminology. While there are issues to be addressed, virtualisation certainly brings improvements in the areas relating to provisioning, service level management, capacity management while operating.

**EFYTimes: Are your solutions platform-centric or agnostic? How much GNU/Linux and open-source friendly your solutions are?**

**Ganesan:** Our solutions are tailored to the customer's network and needs. We have a vast talent pool that is well-versed in the latest technologies. In addition, we have a programme that helps our employees upgrade their skills quickly, acquire the required certifications and ensure that we meet the requirements of customers even as customer environments change. This ability is not just limited to technology but is true of quality maintenance as well.

**EFYTimes: The world is moving towards open source. What is your approach towards open source? Do you use Linux or open source? If yes, please share details?**

**Ganesan:** We are technology agnostic. Our task is to ensure that a customer's SLAs are met and that business is not affected. If it means adopting open source

solutions, we do exactly that.

**EFYTimes: How would you define outsourcing?**

**Ganesan:** Outsourcing is subcontracting a process, such as product design or manufacturing, to a third-party company. The decision to outsource is often made in the interest of lowering firm costs, redirecting or conserving energy directed at the competencies of a particular business, or to make more efficient use of land, labour, capital, (information) technology and resources. In our case, it's monitoring and management of IT infrastructure.

**EFYTimes: How has Microland evolved and adapted itself to meet newer challenges of the constantly changing global outsourcing industry?**

**Ganesan:** Microland has been in a constant state of evolution, from the day it was found. When customers wanted to set up networks, we were doing that (back in the 90s) and when customers wanted their networks managed, we created the appropriate services. Today, global players have concerns that go beyond Infra management – and these have to do with quality, compliance and data security. We have several quality processes in place, from Six Sigma to ITIL, our processes are SOX compliant, and we have no doubt that we have not just kept pace with the industry, but have led it through technology innovations and through pricing innovations.

**EFYTimes: Is the SME segment on your radar? If yes, what is your definition of an SME?**

**Ganesan:** Yes, SMEs are very much on our radar. We think that any company with more than 500 computers in a network seriously needs to consider a RIM services provider.

**EFYTimes: What kind of challenges do you face from SMEs? And what kind of solutions do you have for them?**

**Ganesan:** Small and medium businesses need to be very cautious while trying to adopt IT. SMBs have to understand the need to adopt IT and look at their total cost of operations (TCO). There are several 'pain points' that an SMB must look at. Like any project, planning an effective design which would suit the company's needs as well as capabilities while keeping running costs to a minimum is absolutely essential. It becomes essential for a company to know its own capabilities and whether it would be able to manage its own IT infrastructure using an in-house talent or whether it should consider outsourcing the entire operation to a third party whose core competency is IT infrastructure management.

**EFYTimes: If we pick up the innovative factor, could you point out some innovations that your company has made? How is that evolving further?**

**Ganesan:** We have a dedicated technology and practices team that focusses on developing new applications and in-house tools to ensure better service. The team is responsible for product evaluation and feasibility tests. We also provide technical solutions during deployment and development of new infrastructure networks. We also have a 100+ strong consultant team that works on cutting-edge technology and helps build and enhance the organisations capability development process.

**EFYTimes: With the remote infrastructure management services (RIMS) market expected to grow to \$14 billion by the year 2010, how do you look at companies like yours adding to this significant growth and equipping yourself to meet the market demand?**

**Ganesan:** Talent is the key to building the business. At Microland, we place extra emphasis on keeping our teams updated about technologies and ensure that they have the right certifications.

**EFYTimes: What are the challenges you foresee Microland and the industry in general would be facing in the coming years?**

**Ganesan:** There is still a considerable skill gap in the industry. This needs to be addressed through improved curriculum and training. There are some regulatory constraints, in security laws and telecom policies, which need to be addressed by central and state governments. However, skill gap still remains a major concern.

**EFYTimes: How has it been as Microland's CTO for more than 18 years?**

**Ganesan:** I consider everyday in this journey as a new day for a new learning -- past is history, current is reality and more importantly, it has been very rewarding professionally.

**EFYTimes: Tell us about Microland Virtual Labs and also about your role in the creation of Microland Virtual Labs.**

**Ganesan:** Virtual labs was launched to provide a platform for all Microlanders to bring about skill transformation in the organisation. The lab is of service to the global workforce of Microland with the key intent to acquire new skills, augment existing skills or simulate customer environment for trouble shooting. We wanted to replicate the real life 2500-seater campus scenario in a virtual world. This state-of-the-art infrastructure is built at par with the production class data centre standards in Microland's new facility at Eco Space, Bengaluru.

The lab is accessible, 24x7, with pre-fabricated lab scenarios which engineers face in real life when solving IT problems. There is a library of over 30 pre-defined labs with 18 different operating systems and more than a 100 images for Microlanders to choose from. These pre-built labs help Microlanders to spend more time on solution/testing areas, instead of building the base lab. It also helps them while troubleshooting customer problems, acting like a War room. It has all the available enterprise IT platform, networking, security, storage and wireless environment to accomplish this.

**EFYTimes: Milestones ahead?**

**Ganesan:** We are focussing on launching new, sliver-based services like managed security assessment services for PCI compliance, ITSM (IT service management) consulting services, managed storage and backup services, virtualisation and unified communications.

**EFYTimes: Anything else you would like to share from Microland's**

**perspective?**

**Ganesan:** We have never been in an industry segment which is as big as RIMS. We do believe we have the capability and pedigree to garner a bigger share from this pie.

-- *Monika Bhati, Sub-Editor, EFYTimes.com*