



Project -1

NEELAKANTH M CHAVAN

Root Problem: Margin Improvement Challenge

❖ Part 1: Revenue

IT Solutions and Maintenance

- ☐ BFSI Sector
- ☐ Healthcare Sector
- ☐ Other Sectors (Retail, Public sector, Manufacturing, Travel, Entertainment)

Products

- ☐ DevOps Bundle
- ☐ Cybersecurity
- ☐ Digital Marketing

❖ **Part 2: Cost**

Employee Costs

- ☐ Permanent Employees
- ☐ Contractors (India, Australia, Asia Pacific)

Other Operational Costs

❖ **Part 3: Geographical Investments**

India

- BFSI Sector
- Healthcare Sector
- Other Sectors

US

- BFSI Sector
- Healthcare Sector
- Other Sectors

Europe

- BFSI Sector
- Healthcare Sector
- Other Sectors

Recommendations:

Revenue Improvement Strategies:

➤ IT Solutions and Maintenance:

- ❑ Focus on expanding Healthcare sector services in India, given its promising potential.
- ❑ Diversify into other sectors within India (e.g., Retail, Manufacturing) to reduce dependency on BFSI.
- ❑ Explore opportunities to grow BFSI sector services in the US and Europe.

➤ Products:

- ❑ While Digital Marketing is a strong revenue source, consider strategies to increase sales of DevOps bundle and Cybersecurity products.

Cost Optimization:

- Evaluate contractor costs, especially in India. If they are 1.4 times costlier than permanent employees, explore options to balance the workforce composition.
- Continuously monitor and optimize operational costs.

Geographical Investments:

India:

- Given the strong presence and potential growth in BFSI, continue to invest in this sector. Consider niche technologies within BFSI.
- Expand further into the Healthcare sector, leveraging the existing promising market.

US and Europe:

- Strengthen Healthcare sector services in both regions, aligning with the promising market.
- Explore opportunities in other sectors to diversify revenue sources.

Acquisitions:

- Focus on acquiring smaller organizations specializing in niche technologies that complement the company's existing offerings and have a larger customer base.
- Prioritize acquisitions that provide cross-sell opportunities, potentially increasing revenue from existing customers.

Monitor and Adapt:

- Regularly track the performance of newly acquired companies and assess their impact on margins. Adjust strategies as needed.

By implementing these strategies and carefully evaluating potential acquisitions, the company can work towards achieving a more competitive margin improvement rate.

Thank You
