

Silver linings

The construction industry can work better with cloud, says Ramesh Babu, chief delivery officer & business head, ERP on cloud, Ramco Systems

#	Milestone	Milestone Desc.	Customer Code	Billing Amount	Pending Amount	Total Amount	W	Billing Date	% Completion	Status	Milestone Completed On	Finance Book	Receipt Type
1	RE-CMSG	Commissioning	RE-CUST001	0.00	5,291.00	5,291.00	0.	26/11/2013	0.00	Pending			
2	RE-INVIS	Inverter installation	RE-CUST001	0.00	6,000.00	6,000.00	0.	26/11/2013	0.00	Pending			
3	RE-SWYD	Switchyard construction	RE-CUST001	0.00	8,000.00	8,000.00	0.	26/11/2013	0.00	Pending			
4	RE-INRM	Inverter room construction	RE-CUST001	0.00	0.00	10,000.00	0.	26/11/2013	100.00	Completed	26/11/2013	FDOH	CREDIT
5	RE-LSLYT	Land survey and Layout	RE-CUST001	0.00	0.00	4,000.00	0.	26/11/2013	100.00	Completed	26/11/2013	FDOH	CREDIT
6	RE-SWDR	Switchyard drawing	RE-CUST001	0.00	0.00	6,000.00	0.	26/11/2013	100.00	Completed	26/11/2013	FDOH	CREDIT
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What are some of the features of ERP on cloud from Ramco Systems for the construction industry?

ERP on cloud offers end-to-end integrated ERP solution connecting land management, budgeting, construction process, procurement, subcontracting, sales, billing, payments, and facilities maintenance. Besides this, it offers total procurement record for the project and an exhaustive contractor management system with contractor job inspection, contractor material reconciliation and activity subcontracting.

In terms of online financial information it has project profitability, outstanding and project costing. There are robust and flexible tax engines that help configure various tax scenarios and address specific business needs. It provides support for post construction sales and

lease, facilities maintenance and comes with key analytics available on mobile devices accessible anywhere, anytime.

Project management and supply chain of materials is what developers want more transparency on. How can ERP help them?

Ramco ERP has project management module that helps developers get a comprehensive view of various aspects of their construction projects viz. tracking budgets v/s actual expenditure, stage by stage expenditure, supplier outstanding, overall project profitability, status of the project at given milestones and project progress/delays. Our robust MRP process helps in optimising supply-chain at project level. It also allows transfer of resources between projects, based on demand.

Most developers prefer to install a customised ERP at their vendors' site that gives them transparency to track materials. What are the options available for such developers?

Ramco ERP for the construction industry offers vendor portal – an extension of the Ramco ERP that can be accessed by the vendors without any additional installation at their (vendors') premises, while using just a web browser and an internet connection. Using the vendor portal, vendors can have the visibility of supply needs from the developers, and can update the developer about material arrivals, invoices, etc. Thus with the vendor portal, developers can integrate their supply chain more closely with their vendors and engage with them better.

How can developers be secure in the thought that their information is safe on cloud?

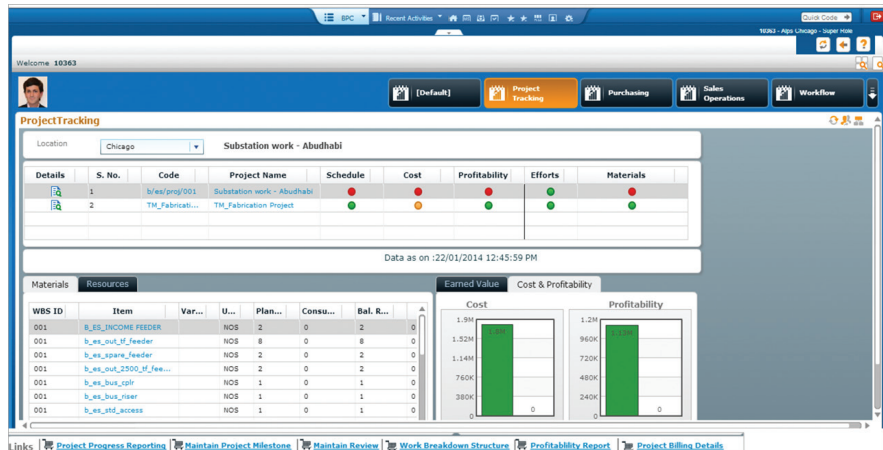
Ramco ERP is offered on a cloud model, with the cloud infrastructure being provided by Amazon Web Services (AWS), the world's leading cloud infrastructure provider. AWS provides extremely high levels of security to users through security features such as https connectivity, private subnets, built in firewalls, encrypted data storage, disaster recovery and many others. The reputation of AWS for performance and security has prompted leading companies and organisations like NASA, Pfizer, Nokia, Unilever, Vodafone, Schneider Electric, US Department of State, and many more to go for AWS services.

Also the availability of Ramco's internal data centre and the International security certification – ISO 27001, ensure security of the data on cloud.

Project profitability can only be measured after all the costs have been taken into consideration. How can ERP help the developer gauge upcoming costs in a volatile economy?

Timely and accurate information is key to managing costs in general and even more so in a volatile economic scenario. An ERP solution allows developers to plan for their project at the detail level, including quantum of construction material to be purchased, resources and manpower to be used, work to be subcontracted to third parties and various payment and receipt milestones. As the project progresses and the ERP users update the application with information on all these aspects, they can cull out reports on the project progress, supplier pending payments, milestone completion and use the various analytics that come with the ERP application to assess the health of the project across multiple dimensions. Getting this information in a timely manner gives developers time to gauge costs, track progress, and take appropriate decisions.

Project cost summary provides the summary of actuals to date, and projected costs for the remaining tasks, enabling decision makers to look at projected variances. Earned value provides accurate forecasts of project performance problems from a scope, schedule and costs perspective.



Timely information allows developers to gauge costs and track progress of projects.



“An ERP solution allows developers to plan their project in detail, including material to be purchased, manpower to be used, work to be subcontracted and various payment and receipt milestones.”

Ramesh Babu, chief delivery officer & business head, ERP on cloud, Ramco Systems

How can IT help avoid fraud in procurement of raw materials and excessive manpower billing?

Ramco ERP allows procurement managers to build rules in the system to ensure no vendor is able to bill beyond what he ought to, based on the quantity and quality of the material he has delivered.

All records of quality tests that need to be carried out on the material delivered can be maintained in the ERP itself, and parameters for acceptance or rejection built. In case a vendor has not performed as per expectations, his rating can be downgraded (which again, can be processed by the ERP based on the performance criteria defined by the developer), and he may not be considered for later purchases. There is automatic posting into debtors ledger based on quantity received after inspection for payment.

The ERP system can be integrated with biometric attendance systems to ensure people are paid only for the hours they worked. Here again, performance KPIs can be built on the quantum of work to be done, and measured against actual work done, to ensure right billing.

What does ERP solution have to offer in the near future for property management?

Information technology, and in particular ERP solutions, will continue to impact the life of property developers in the years to come. With the advent of newer technologies and paradigms, ERP companies are investing heavily in utilising these to improve their products. Some of the upcoming trends include better adoption of cloud, increased usage of smart device (mobile/tablets) based status updates and information dissemination, integration with design software to graphically depict project progress, online collaboration between the stakeholders – architects, structural & civil engineers, subcontractors, etc. **CW**