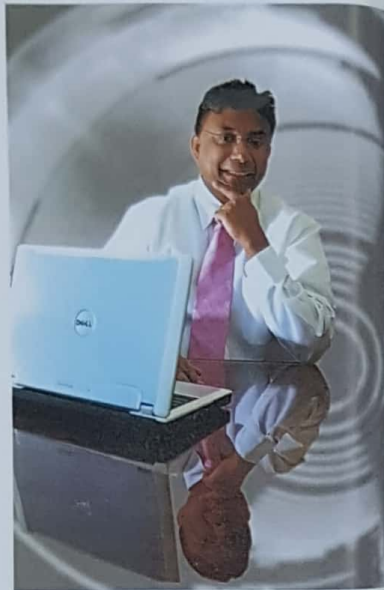


A DELICATE BALANCE

Instead of the braggadocio that characterised the moves of dot-com paper millionaires, Anton Ravindran chose to do business the old-fashioned way. His prudent if conservative aspirations, as well as his focus on old-school values, have seen him standing when most of his competition have been reduced to flameouts, discovers **Victor Chen**.

photo TOM HAN



Founded in 2000, Genovate Solutions registered on the radar of a venture capitalist in just three years. "They came to us and offered to fund our expansion plan," says Anton Ravindran, Chief Executive and Co-founder of the company. "We must have been doing something right because we didn't even have to launch an IPO (in order to shore up capital). Today, Singapore-based

Genovate Solutions operates in 11 cities across the globe, from Kuala Lumpur to Sydney, Mumbai and Dubai, where it offers a range of software services mostly for the financial services industry. The company designs, develops and implements customised software, e-services, training and professional services to MNCs, government institutions and SMEs. "Our core business is product development, consulting and service.

We outsource some functions and retain others in-house. We believe in localising everything that we do except strategic management and R&D. We employ locals; we do not appoint someone from Singapore, for example, to serve the Indian market. Personal touch in dealing with customers is something that can't be compromised. However, we have a regional team doing strategic management."

Since it was founded, the company has been posting a compound annual growth rate averaging 35 to 40 per cent. During the only year that it failed to record the same growth, it still managed to grow the business. Still more convincing is the way it dodged the collapse of the dot-com industry during the first years of its establishment. "I think it's our wary attitude towards fast growth that protected us. We have been very prudent in our expansion, always keeping an eye on how we finance our growth. I think you can call us, me especially, very cautious," Ravindran admits. "We (my partners and I) initially came to the table with our competencies and connections. Within the first year, we were breaking even and realising some profit."

CONVENTION & INNOVATION

Genovate Solutions built on conventional model using innovative technology. "We can't run away from sound convention in accounting, finance and procedures like that. I think one of the reasons the dot-com bubble burst was because most of the people moved too far from conventional procedures, like the fundamentals of running a business. They focused too much on futuristic ideas that did not connect to grounded levels. It was a balancing act for us with innovation and convention."

Ironically, the cautious attitude may have been the primary reason that attracted a venture capitalist to the fledgling company. Unlike most of their contemporaries, they did not opt to be in several areas that would have stretched their productivity and

exposed them to risks. "We focused on our competencies and looked for a niche where we could prosper decently given our size. We found a vacuum where no one was delivering a 360-degree service. Our idea was to develop a product that brought together all types of communication to one channel; now it's pervasive."

Today, the company reaps benefits from its 'safe' financial stewardship. The number of accolades heaped on Ravindran, who has been named entrepreneur of the year by several respectable organisations, and Genovate Solutions reaffirms its success. In addition, Ravindran serves the industry in various capacities, including founding chairman of the Internet Industry Association of Singapore (IIAS), advisory member of the Electronic and Electrical Allied Industries (EEAI), and the National Internet Advisory Committee (NIAC-NISC), MDA/MICA.

But Ravindran remains surprisingly cautious. He will not even call Genovate Solutions an unqualified success. "We're not in China where companies record fantastic growth. We're not in so-called hot markets in Europe where we could probably harness bigger capitalisation or even profits," he elaborates. The 200-head organisation still services what the industry would label traditional markets, but Ravindran is unperturbed. "We have been, for lack of a better word, 'paranoid' about chasing success; but the same 'paranoia' has helped us calculate our risks."

Failing and succeeding is measured in degrees, Ravindran explains. "They don't necessarily mean

either a total collapse or a successful IPO launch. We've been very prudent and conservative. On the other hand, by minimising our risks, we may also have minimised our returns. So that is perhaps a failure. If I had been too daring, we would probably be in China. But we've been extremely careful about venturing into China because we've been told that although China is a big market, it is also full of risks. Maybe it's a failure that we're not as big as other hugely successful businesses that have grown S\$200 million to S\$400 million in just eight years. They went into a market that is huge enough and sustained such level of growth. Neither did we have access to that sort of fund. That is in itself a limitation."

Technopreneurship has progressed vastly, owing to the delicate balance between cutting-edge technology and real customer requirements, between agility in harnessing new knowledge and deliberateness in pursuing growth. Ravindran observes that although entrepreneurship is on an upswing, the local venture capital market has not reached maturity. "Despite boost from the Singapore government, the venture capital environment here is considered less mature than in Silicon Valley. In places like Silicon Valley, venture capitalists play an active role in supporting start ups."

Ravindran recalls how much of his boyhood has shaped his current conviction. "I've always believed in management leadership, in playing the role of a leader. As a boy, my parents always wanted to know my rank in school. They pushed me until working to be the best became a habit. ▲