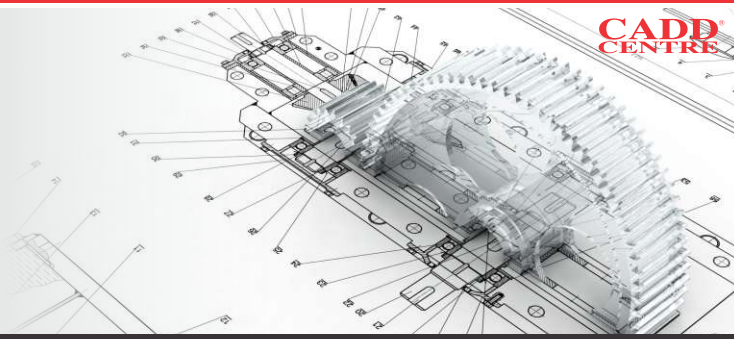




CADD CONNECT

CADD
CENTRE



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N Subramanian
VP - Operations & Marketing
CADD Centre

Interview with N Subramanian, Vice President, Marketing & Operations – CADD Centre

“Excepting ownership, we take the full responsibility, including the franchisee’s profitability”

After completing B E Mechanical from PSG College of Technology, Coimbatore, in 1991, Mr N Subramanian joined CADD Centre as Trainee Engineer at its Chennai centre. Since 2010, Subbu has been the Vice President - Operations & Marketing of the CADD Centre Training Services, looking after the support of 280-plus franchise network, spread across India. Subbu has the rare combination of technical expertise, operations knowledge, and marketing excellence. Read his interview:

In this interview, he shares; he registers his views on the CADD Centre’s core principles and approach to operations, marketing. Excerpts:

CADD Centre has “franchise first” approach to management. How does this motto reflected in its operations?

At CADD Centre, we give an enormous amount of value and priority to the relationship we have with our franchise partners. When we say, “Franchise first” we mean just two things: listening to our franchisees genuinely and getting their heartfelt support before we take a business decision. All our decisions are made keeping in mind the interests of our franchisees.

Our franchise model itself is franchisee-oriented. A franchise centre is a CADD Centre that we do not own. Unlike the traditional franchise setup, CADD Centre does not charge royalty. Our model allows franchisees to earn in proportion to the efforts they put in the business. When they put the best effort, they take the lion’s share.

Of course, it is easy to claim “franchise first”, but that claim gets vindicated only when we behave befittingly, especially at the times of adversity. We are always willing to spend the extra time, take the extra effort and walk the extra mile to address the needs of our franchisees during the difficult market

situations. Hence, most of our franchise centres have been profitable, even when there is market slow-down.

What are the major roles and activities of the Operations Division with respect to providing support to franchises?

Excepting ownership, we take the responsibility for the franchisee’s quality of service delivery, revenue generation and profitability month after month. So, we provide support in all aspects of their business - not only in handing them over with good quality courseware or training their staff, but also in marketing, creating the infrastructure, etc.

We classify our centres based on their performance, and assess the kind of support the centres need to take their performance to the higher levels.

We believe that constant interactions help us build a very strong relationship with our partners. Hence, we create various avenues and platforms for us to constantly interact with our franchise partners. These include cluster level meetings, regional meetings, sales training, technical training, induction programs and our annual meetings. These programs and activities are spaced out very appropriately over the year. They give us and our franchisees the opportunity to learn from each other and implement the best practices into business.

What is the growth rate of CADD Centre’s franchise network? And what have been the factors that are fuelling the growth?

Currently there are over 300 franchise centres. Our network is growing at the rate of 20% to 25% and the business done to the end customer are growing in the order of 40%.

We have always looked at a steady and profitable growth of our franchise network. We look at signing a few centres, working with them for some time till they stabilise their business, and then go for the next batch of new centres. This approach has helped us to evaluate and get good franchisees and also ensure that they start doing well.

Growth begets growth. The track record of our franchisees is the biggest factor that is driving the growth. When a prospective franchisee visits the existing centres, he gets inspired by the operations.



Second comes, the support. Our franchisees are quite happy and satisfied with the support, guidance and drive that they receive from us. Usually, it is the friends or employees of franchisees, who become the new franchisee.

Thirdly, our satisfied customers are the ones who bring new customers. This way, we don't have to spend too much for marketing, and our operating expenses are low. These are what franchise investors perceive as good signs of business.

What are the key performance indicators of some of the major operational functions? How has been their performance in the recent years?

The targets of our operations include: centre quality, software compliance, course quality, course delivery quality, course compliance, and instructor preparedness. We measure the performance based on customer feedback and employee feedback.

While have always achieved 100% in the compliance side, the rest of the areas fall in the performance levels of 60% to 90%, while measured on a relative basis.

In general, training business is driven by marketing. How important is marketing for CADD Centre? and how unique are your marketing strategies?

Marketing is surely important and mandatory for staying in business, procuring new business and also going to the next level. CADD Centre has always prepared campaigns producing long term benefits. We also roll out campaigns with short term results consistently throughout the year. We spend about anything between 20% to 25% of the collections for marketing.

One of the key strategies of our marketing programmes is to differentiate from the competition, instead of directly competing with them. The marketing campaigns are decentralized, and are evolved based on the unique needs of the centre and the region. We discuss the marketing plan thoroughly with the franchisees before rolling them out. Once the plan is decided, the franchise team is trained and inducted. This way, we receive the full participation and preparedness of all. As a result, the attention to the enquiries is very precise and there is quicker conversion of the enquiries.

CADD Centre always has a good response from reference programmes. We put a large part of our marketing investments towards building more references.

What are your preferred channels/methods of marketing CADD Courses?

CADD Centre has been using almost all the channels and options to market its courses – right from the news dailies, magazines, college magazines, radio, TV etc. We try and utilize any opportunity coming our way to put our brand and get the reach. However, in our experience, a very successful option has been through direct marketing and direct sales.

We have a great relationship with the industry, educational institutions and software developers. Along with our marketing, we also conduct large scale and small scale awareness programs to bring the students, our potential customers, closer to the industry and software developers.

What percentage of student enrolments in CADD Centre courses happen because of referrals from old students and word of mouth?

A very large percentage of enrolments happen through reference – it is between 65% to 75%. CADD Centre is an extremely quality conscious company and is constantly working on percolating this to every centre in the network. Each of our courseware has been created with a lot of research, input and feedback from the industry, users and software developers.

CADD Centre students are welcome to use the facilities and benefit from the technical support offered by us even on completion of their course free of cost. Our centres are normally located at sites that are on the main roads and very close to bus stations and train stations. So the overall experience is very positive and favourable to the person learning at CADD Centre. These are some of the factors that prompt our student to refer us to their friends.

In your long years of service at CADD Centre, what do you think are the professional high moments?

Once you become knowledgeable in operations and marketing function, I believe, you gain the ability to run the entire business. So, the learning on the professional front is that big. It helps you become number oriented, and facts driven. In my fifteen years at CADD Centre, I have learnt to take decisions only after getting updated from all sides involved. This way, one can create a win-win situation for all.

On the people side, my biggest learning is the importance of having an open mind, listening to people, and handling people based on their emotions. You have to be willing to handle issues, but at the same time, realise and respect people as human beings first.

