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The **CFO** Program



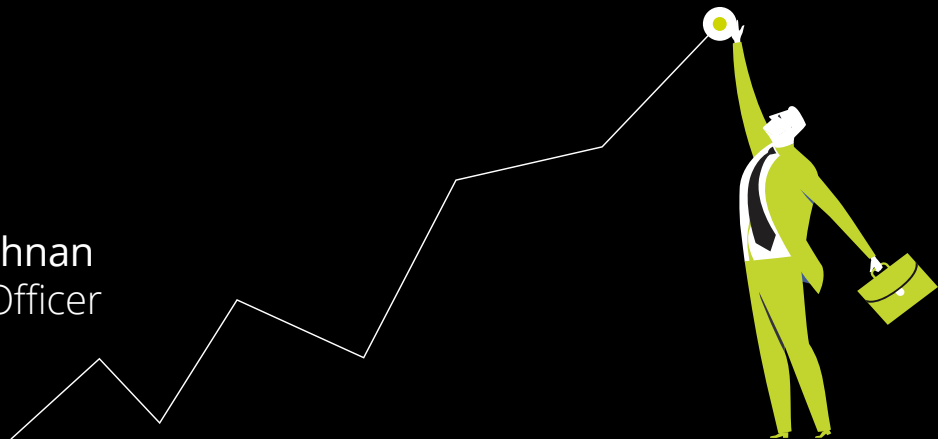
CFO Perspectives
CFO Speaks

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CFO Speaks



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01. As a CFO, how would you deal with the challenge of disruption on your business model?

Being a digital player we often think of ourselves as disruptors, but even for us there is always a new gen technology which is evolving very fast and may disrupt us in future. The speed at which changes are happening is breath taking in line with fast evolving customer expectations. Also at the same time, technologies are adopted from developed world with quick localization. Disruption constantly exists in businesses. It is important as a CFO, we tackle and be ahead of it if possible. Few things that could be done to tackle them:

- Being aware of disruptions is important. Keeping an eye for changes is the first thing. It is critical to read the data pulse and identify changing patterns. Be aware of new global best practices, shifting customer requirements, etc.
- Being clear about your organization's strategy and objectives is important. There will always be new ideas/solutions in every business, but keeping an eye for only those disruptions that affect your customers/ strategy is key. You

- don't want to react to everything out there.
- As CFOs we are rule bound thinkers and sometimes we could become inhibitors of change & speed within the organization. The onus of developing & demonstrating the culture of change lies with the CFO.

02. Given the obvious pressures of top-line growth, do you envisage significant acquisitions or do you foresee internal growth?

The third edition of OLX CRUST survey showed that India has used goods worth Rs. 78,000 crore are stocked away in Indian homes. Buying and selling of used goods is still at a nascent stage in the country. As an organization, we are constantly looking to get better solutions that can solve multiple customer issues – both organic and acquisitive. However, when looking at acquisition opportunities we do detailed Build vs. Buy analysis prior to proceeding.

03. How do you manage the risks of a cyber threat given that your business depend almost entirely on technology?

With digital technology growing, risks of

cyber threat have grown as well. We review cybercrime-related intelligence regularly - emerging techniques used by criminals to perform cybercrime-related attacks, news and blog forums, etc. Cyber security is part of the regular senior management planning cycles, internal audits and business discussions. We have committed investments for tackling such risks through building systems and processes. We have also been working closely with NGOs, and the government authorities such as the Police to build awareness around cyber-crime.

04. The challenges you face as a CFO for a start-up are quite different than that of a typical CFO of a mature entity. Would you like to throw some light on what are your top challenges?

OLX has been in India since 2008, and OLX Group has a global footprint across 40+ countries; so we are not really a start-up. Risks in digital business are higher and models fail very fast. It requires constant understanding of shifting customer needs and solutions. As a CFO one of my biggest challenge is to hire, motivate and retain top talents in the business. Unlike mature organizations we do not look at incremental goals, we look at exponential goals at each level of the company and the commitment levels required is huge. Also, the constantly changing environment and uncertainty requires people to be comfortable with ambiguity and have willingness to take risks.

05. The competition is fierce, because the barriers to entry are relatively low, and there is plenty of access to money. How do you, as a CFO assess and generate value out of each opportunity to

maximize returns on investment?

The barriers of entry are different for each business. Keeping users engaged and to provide top-notch solution to every user so that they remain loyal is a challenging task and could be termed as the biggest barrier to entry. We have clear goals and everyone in the organization ties everything they do to organizational goals at every level. To generate value from each opportunity it is important to have discussions with operational teams on the investment sought, risks and returns. As a CFO, a big part of my job is to develop a deep understanding of market challenge, and figure out where to prioritize and invest. Having objective ROI discussions on regular basis should be part of the organizational culture so that each and every decision is well thought through by every employee of the company.

06. How do you harness the power of analytics in your business and particularly as a CFO how do you make best use of analytics?

Analytics is an important aspect for every business today. We have business intelligence/ analytics specialists embedded into each area of the organization. Analytics provides powerful information to drive well-researched investment decisions. We dive deep into every aspect of the company to have deep rooted understanding of the business through the common threads of business intelligence and analytics. It is also important to set the culture of data intelligence and analytics within the organization. We base most/all of our decision on analytics and research, we ask questions and challenge every idea on the basis of research and analytics.

Expert Views

Global Human Capital Trends 2016

Sweeping global forces are reshaping the workplace, the workforce and work itself. To help organisations and leaders understand these challenges, Deloitte published the 2016 Global Human Capital Trends report. This report summarised the HR trends and priorities shaping the business landscape globally.

Successful organizations are making radical changes to meet the challenges that are reshaping the workplace, the workforce, and work.

Deloitte's annual Global Human Capital Trends survey provides a list of potential and emerging trends identified by our global Human Capital group, and asks business leaders about the importance of each of these trends to their organization, their readiness to deal with them, as well as their capabilities and plans to address priority areas.

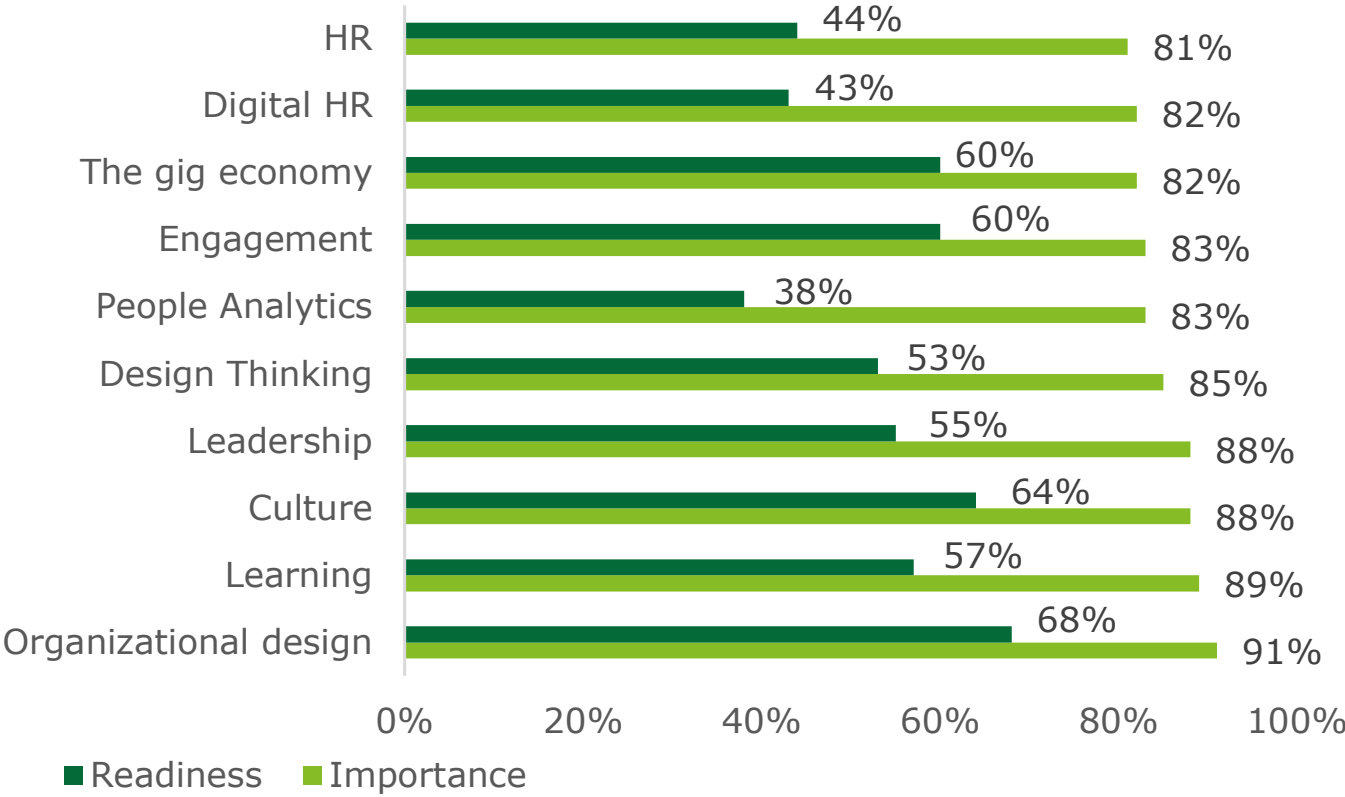
The 2016 edition of the survey saw 7000 HR and business leaders from over a 130 countries participating globally, and identified the need for organizations to redesign themselves around teams, leadership, culture and learning.





In line with the global trend, Indian survey respondents ranked organization design as a key trend for 2016

Figure 1: 2016 trends ranked in order of their importance and readiness*



Source: India Human Capital Trends report 2016

In 2016, the survey discovered that the top priorities for Indian businesses were similar to those of business leaders globally.

The top five Human Capital trends in India for 2016 were:

- 01. Organizational design**
- 02. Learning**

- 03. Leadership**
- 04. Culture**
- 05. Design thinking**

Design thinking moved up the priority list for India, with 85 percent respondents identifying it as “important” or “very important”, in comparison to 79 percent respondents globally.



People analytics was seen as relatively more important in India than globally.

Interestingly, the capability gap across remained the same with 2 out of 5 respondents not ready to meet the requirements.

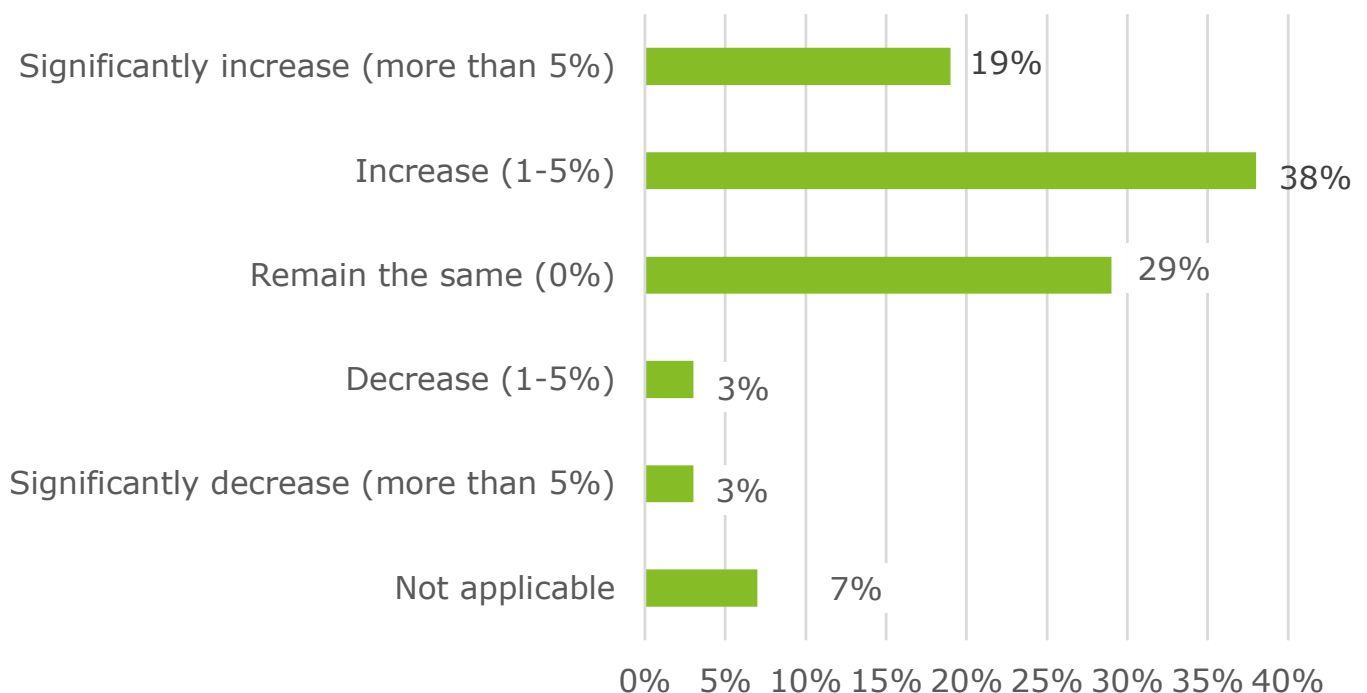
The relative importance of digital HR and contingent workforce (gig economy) in India were also high when compared to respondents across the globe. Perhaps this was in recognition of the urgency to address these challenges in light of the growing digitally savvy and entrepreneurial millennial workforce in India.

Ever since the notion of a *war for talent* entered boardrooms nearly 20 years ago, there has been unprecedented interest in the development, validation, and application of tools for

quantifying human potential. Like other forms of warfare, the talent war has spurred a great deal of innovation and competition.

Unsurprisingly then, over the past few years, Deloitte's Global Human Capital Trends survey has found a consistent increase in investment being driven into the area across geographies. Last year, 57 percent (Figure 2) of Indian respondents reported plans to increase investments in HR in the following 12-18 months, with the overall consensus among corporate leaders being that they are still ill-equipped to meet their most critical human capital challenges. Over a quarter of the respondents reported that there is still significant room for improvement across HR programs and capabilities.

Figure 2: Plans to invest in HR in the next 12-18 months





The rapidly evolving social contract between the modern firm and its employees, and the threat of losing top talent in an era of digital transparency, calls upon financial leaders to anticipate and prioritize investment opportunities in the human capital area as it continues to grow in scope and can prove to be a game changer for organizational efficiency and profit margins.

From investments in technology to

accommodate cloud-based applications and analytics, using mobile learning solutions and MOOCs to effectively upskill the existing workforce, to transforming organization design to optimize people costs, to a revision in reward strategies to retain top talent and stay on the cutting edge of what the industry has to offer, CFOs today must be mindful of the myriad of strategies in human capital management that can help them improve business performance and impact their bottom line.

To access the 2016 Human Capital Trends reports, click on the links:

[Global Report](#) | [India Report](#)



Be a part of defining the trends for 2017 and provide your insight into strategies for talent, leadership, and human capital management. [Click](#) on the link to participate in the 2017 survey.

*** Note:**

'Importance' was defined as something that the respondents considered "important" or "very important".

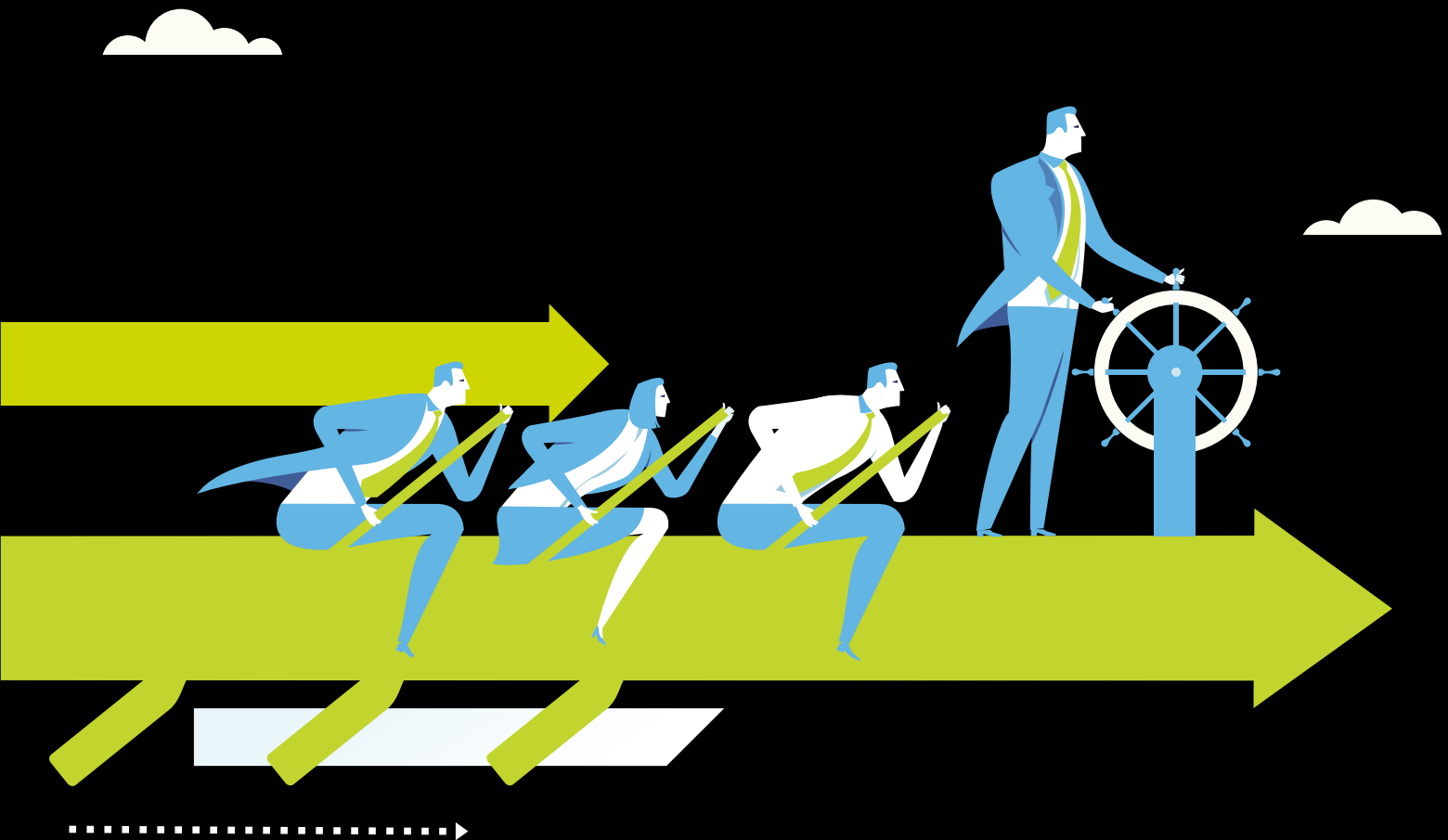
'Readiness' was assessed using the readiness index scores. Respondents were asked to rate their organization's readiness on a four-point scale: "not ready," "somewhat ready," "ready," and "very ready." These ratings were indexed on a 0-100 scale in which 0 represents the lowest possible degree of readiness ("not ready"), and 100 represents the highest possible degree of readiness ("very ready"). An overall readiness index score was then calculated for each issue using these score.

About Deloitte's CFO Program

The CFO Program brings together a multidisciplinary team of Deloitte leaders and subject matter specialists to help CFOs stay ahead in the face of growing challenges and demands. The Program harnesses our organization's broad capabilities to deliver forward thinking and fresh insights for every stage of a CFO's

career – helping CFOs manage the complexities of their roles, tackle their company's most compelling challenges, and adapt to strategic shifts in the market.

For more information feedback or suggestions, please write to us at: incfo@deloitte.com



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