

# Business India

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# A woman of substance

Ranjini Poddar has taken an unconventional route by digital economy standards. But she has worked relentlessly to reach the top



Ranjini and Ajay Poddar: all in the family

Beatriz Manetta, Shelly Sun, Ranjini Poddar. Hang on – **Ranjini who?**

When American Express in partnership with Women Presidents' American Express, in partnership with the Women Presidents' Organisation, released its ranking of North America's 50 fastest-growing, women-led companies in end-April 2010, quite a few observers were left scratching their heads to spot an Indian-managed entity among the top three. They were even more amazed to learn that the New Jersey-based Ranjini Poddar-led Artech Information Systems had more than doubled its headcount from 1,560 in 2007 to 3,500 in 2009, and was among the only two on the list to gross \$200 million in annual revenues. An impressive feat at a time when women-led American companies have grown in number, but still lag pitifully behind their male counterparts in revenue generation. The US-based Center for Women's Business Research reveals

that though women own more than 10 million firms or almost 40 per cent of all private companies in America, only a minuscule 3 per cent clear annual revenues of \$1 million or more! "We have had significant year-on-year growth at Artech, clocking \$225 million in revenues last year, even as our industry faced a challenging business environment and the economy has been sluggish," says 41-year-old Artech president, Ranjini Poddar.

Nothing unusual for a company which itself was born in the midst of a recession. Artech was founded by Ajay and Ranjini Poddar in 1992, both with a parental business background. Ajay's family had a wire-drawing mill in India, while he himself landed in the US for graduate studies in computer science and obtained an MBA from New York University, Stern. "We owned sugar refineries in Uttar Pradesh and lived in an extended family home near one of the sugar mills," reveals Ranjini. In 1976, she migrated to the US, where her father set up an

import business in cast iron products for the waterworks industry. "I watched my parents work long hours trying to build a new business and I used to help them early on. Later, I spent more time, often doing mundane tasks, which were my first practical lessons in business," she reminisces.

Though dabbling in the family business was fun for young Ranjini, it was the emerging digital age that excited her. Ranjini studied computer science at the University of California, Irvine, because it was the "cutting-edge discipline full of future potential", and ended up applying for business and law faculties at her graduate school. "When I was accepted to Yale Law, I could not pass up the opportunity," she confides. "Even as I was deciding on law school, I knew I could use my legal studies to work in related fields." Two years later and still in law school, Ranjini helped her husband Ajay start off Artech, funded initially with \$2,10,000 pooled together from family and friends. "Ajay had an affinity for technology and I knew it would be a strong, long-term growth story," she says. Why the name Artech? "Well, just because it would appear somewhere near the top of any alphabetical list of technology companies."

Whether Artech appeared high on a tech list is uncertain, but it surely did figure on someone's telephone number slip! "That's a funny, if not ironic, story," says Ranjini with a chuckle. "The Port Authority of New York/New Jersey was once trying to call up a company with a similar name and connected us by accident. Instead of disconnecting the line, Ajay asked them what they were looking for. Realising that they needed some IT services, he capitalised on the opportunity and sure enough, we landed our first client." Soon after that, Artech bagged its first private sector client, General Electric.

During those early years, the Poddars ran an extremely lean operation, often skipping their salaries and reinvesting every penny earned. "Though we had launched operations with start-up capital, soon we had gotten ahead of ourselves," reveals Ranjini. "We went through the funding too quickly

and had to scale back until we could develop some accounts and establish a steady revenue stream." While Ajay managed Artech, Ranjini practised corporate law at prestigious New York law firm, Sullivan & Cromwell. "I helped Artech on a part-time basis while I was studying law and to a lesser degree while working at s&c. It was an incredible effort during those early years as I also had to take time off to have a family," she explains.

Soon practising law at a New York firm and balancing family life with business proved strenuous, and Ranjini began exploring alternatives, including Artech. "Eventually, that seemed the best decision both from a personal and professional perspective. Artech gave me more control over my schedule and I was therefore able to spend more time with my family," she says. In 1999, Ranjini returned to Artech to take up the challenge of growing a business, and quit her secure legal job. At one level, the transition was easy because she was highly motivated; but it was equally daunting for someone who had charted an unconventional route going by the standards of the digital economy.

Ranjini, nonetheless, chose to dictate the course of her unfamiliar turf. She initiated a corporate restructuring



Ranjini: winning accolades from various industry associations

exercise, expanded her team and put into place an aggressive marketing strategy. More significantly, she broadened the company's client base by entering the government arena aggressively, since as a small, woman-owned business, Artech qualified for federal and state government incentive programmes. This not only meant a sustained stream of revenue, but acted as a cushion in the highly-volatile technology business. Even today, a chunk of Artech's business comes from state and federal government agencies.

Currently, Artech extends traditional IT project services, consulting and staffing to its clients, which include several Fortune 500 companies, besides state and federal agencies. The company's sales have zoomed from just under \$17 million in 2003 to \$225 million in 2009. It operates across 20 locations, coast to coast throughout the US and in India and China, employing over 4,000 IT professionals. Ranjini says the company has made tremendous strides in India and China, which is why she is adding two new offices in each over the next year. "We also have a JV with a Mexican firm, which will help us expand into Central and South America," she adds.

The rate at which Ranjini has grown her business is astounding, and that has been recognised in the industry. Artech has been ranked a fast-growth company since 2000, winning accolades from various industry associations including Deloitte & Touche, CRN 500, Staffing Industry Analysts, etc. In 2009, it won the National Supplier of the Year award from USA's National Minority Supplier

Development Council. "We rate this as the highest honour a minority-owned company can receive in the US," says Ranjini, who herself was named the New Jersey Ernst & Young Entrepreneur of the Year 2009 in the IT consulting category.

Ranjini is pleased with honours and awards, but is particularly proud of a 2007 JV with Banasthali Vidyapith, the women's university in Rajasthan, to build the Artech-Dalmia Center for IT. The facility seeks to empower women by providing them with cutting-edge technology skills, offering bachelor's and master's degrees and opening avenues in the IT industry. The centre is dream come true for Ranjini, who is an ardent supporter of the advancement of women in education and business. "It is important for women seeking professional growth to know they're not alone, and that women like me have followed a similar road and succeeded," affirms Ranjini, adding that she doesn't think in terms of women doing business in a male-dominated world. "It's self-defeating. Whoever brings the best business case and is able to execute, wins."

That's been her winning formula for over a decade now, and one that is most likely to catapult Artech into the big league. Ranjini is already looking to grow it into a half-a-billion-dollar entity by 2012. "Given the trajectory of our success over the past 10 years, this goal is attainable," she asserts. Perhaps Ranjini is being a tad bullish, but with emerging opportunities in the IT consulting and outsourcing space, her goal may not be very far off the mark.

♦ ANOOP BABANI

## The other women

Six Indian-American entrepreneurs are among the top 50 fastest-growing, women-managed companies in the US, according to the latest ranking by the American Express-Women Presidents' Organisation. Apart from Ranjini Poddar's Artech at number three, the five other companies that ranked on the list were: Padma Allen-led and New Jersey-based TechoDyne (12), an IT services company; Anjali Ramakumaran's Chantilly, Virginia-based Ampcus (20), a business and technology consultancy; Sonu Ratra-led Akrya (35), a Sunnyvale, California-based staffing and project management solutions provider; Priti Parikh-managed Sveta Systems (42), a Tucson, Arizona-based technology services, consultancy and systems integration firm; and Kiran Gill-led, New Jersey-based PARS Environmental (42).