Interview with Sanjay Brahmapwar
Chief Executive Officer (CEO)
In digital transformation, what do you think are the biggest challenges customers face today?

I see many customers who don’t get the maximum value from their organization’s data. There are two main barriers they must overcome, the first of which is integration. 80 percent of the world’s data is sitting in some ERP, somewhere. As businesses create tons of new data, these sets are stored across multiple, disparate locations. There is no value in this. The value comes in freeing this data from its silos, combining it with existing data sources and new data from the Internet of Things (IoT) to create actionable insights. The second barrier is accessibility. Once you free your data, then you should really be able to understand and analyze it without an army of programmers and data scientists. Data in the hands of the few creates gatekeepers and bottlenecks. Data in the hands of the many creates competitive advantage. The more accessible these insights are to business users, the more enterprise-wide value they can get out of them. If customers tackle these challenges holistically and with the right technology, they will truly be able to turn data into value.

Who is your customer these days?

The digital transformation customer is increasingly found outside of the IT department and on the front line of the business, with real-life problems and targets to hit. They demand immediate availability to their tools; quick ROI, an intuitive user experience and design, and plain-speaking support. That’s very different to what we saw just five or ten years ago and this shift is largely driven by the emergence of digitalization and IoT.

So how is Software AG positioned to help customers do this?

We exist in the truly exciting space where the powerful forces of digital transformation and real-time data intersect. By reimagining integration we offer our customers the ability to connect and integrate any technology. That’s any app, device, protocol or network across multiple clouds, at the edge or on-premises. This means our customers can free their data from silos so it’s shareable, usable and powerful. And we democratize it by vastly simplifying the toolset so that business users can integrate and visualize data themselves, without the need to constantly engage programmers. Our customers can pay-as-they-go and scale when they want. They can harness, exploit and capitalize on their data—turning it into the value they want.

Our software doesn’t decide the end result. It gives customers the autonomy to decide for themselves. We think that’s far better.

How does Software AG help realize the potential of IoT and Industry 4.0?

We are proud that our IoT excellence is recognized by the industry’s top analysts. Gartner and Forrester view us as clear leaders, you only need to look at the recent Magic Quadrants and Waves to see it.

But we didn’t achieve this status overnight. We’ve spent years working with our industrial partners to get it right. The best example is ADAMOS: Here, the world’s leading manufacturing companies including Dürr, Zeiss and DMG Mori have come together with us to change the future of the Industrial Internet of Things. Built on Cumulocity IoT, we’ve created an open IoT platform that’s setting a new standard in next-generation manufacturing. We are also supporting our customers with innovative IoT solutions in retail, insurance, utilities and entertainment.
We’re also making this exciting technology as widely accessible as possible through our partnerships with the world’s leading telecommunication companies. Many of them, including Telstra and Deutsche Telekom, are using our carrier-grade solution to invite millions of their customers to join their IoT network. This puts IoT within reach of smaller innovative companies, like a high-end bike manufacturer that uses our platform to app-enable their customers’ bikes, notify them of technical issues and detect theft. This is the kind of end-user impact we’ve never had before.

We have a strong partnership with Siemens, who have put our IoT and integration technology at the heart of MindSphere—the IT backbone of their major digital initiative. So now they’re integrating external products and applications and enabling machine data to be integrated with their applications data, both on–premises and in the cloud.

With the emergence of cloud and IoT, architectures are becoming highly distributed. At Software AG we don’t talk about IoT without talking about edge. Seamlessly deploying processing power closer to the data source is key to realizing the potential of IoT whilst reducing load.

→ So how does edge analytics address some of the associated challenges of distributed architecture?

Edge analytics collects and processes data without having to send that data back to the cloud for analysis. That saves time and network bandwidth as well as reducing the load on back-end servers—all of which lower costs.

With our recent IoT partnership with Dell Technologies, we’ve made edge capabilities a plug and play option for new customers. Our Cumulocity IoT edge product is pre-configured onto a range of Dell edge servers to enable high-performance, industry-agnostic IoT connectivity and analytics. These are available in three simple sizes on a subscription basis, so it’s much easier for our customers to get up and running.

→ What other partnerships are you developing and what opportunities are they opening up?

In today’s world, we cannot grow without collaboration. That’s why in 2018 we decided to partner more closely with Amazon Web Services (AWS). As of November last year, most of our technology is available on their new Marketplace and SoftwareAG.cloud was launched at the
AWS re:invent conference in Las Vegas. This gives us the opportunity to support small and medium-sized businesses that we previously couldn’t reach. Recently, we announced a partnership with Adobe to offer open integration and API management services as part of the Adobe Experience Platform. This combined offering enables companies to radically transform the customer experience with a 360° view powered by our technology. We are also working with Microsoft to help solve their customers’ integration challenges as they rapidly adopt Microsoft Azure and are collaborating with major application vendors on open standards for integration.

These are new routes to market, based on what we do best: Integration for customer intimacy.

Earlier in the year you announced the company’s new strategy. What outcomes can we expect in 2019?

2019 saw us launch a bold new strategy to return us to sustainable profitable growth. We have identified three levers that build on our strengths: Focus, Execution and Team. We will maximize the potential of the exciting space we’re in with a more focused portfolio that’s right in the middle of the action. We are sharpening our execution to be even more focused on customer success. And we are more actively developing internal talent and external partnerships to drive us forward.

By the end of the year, we will start to see the fruits of our transformation. Our fresh new brand is starting to create a positive buzz in the market.

You’ve been quite vocal in press interviews about putting people first. How are you achieving this at Software AG?

Software AG already has its own unique culture which is a powerful mix of pioneering spirit with a global family attitude. This is a huge differentiator in my eyes and it’s a great reason to be proud. A company of our size needs to be smart in order to attract the best brains. This is all about creating the right environment, so maintaining this as the fabric of our company and making our teams more diverse will be vital.

I make a habit of asking everyone in a room what they think, not just listening to those who speak up. I am working with our leaders to get them to create a similar culture in their teams. Diversity of mind is how we will continue our legacy for the next 50 years.

Yes, congratulations! Software AG is 50 years old this year. What does that mean for you?

We prefer to say that we are “50 years bold.” In 1969 our company was founded in the belief that data will change the world. I’m excited to be CEO of a company that pretty much gave birth to software as a term and as an industry. It’s transformed all our lives in a way that none of us could have dreamed possible. Our heritage, as data pioneers, lives in the hearts and minds of our global team, and our ambition is to innovate for 50 more years. Our new slogan captures this perfectly: Freedom as a Service, which means no constraints. We offer choice and flexibility. This is the inspiration for a new Software AG. But it’s not just a slogan; it’s a commitment, and everyone at Software AG is firmly behind it.