

I N T E R V I E W

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All about IT

IT is one of the main engines that drives an economy, and for a quickly developing economy like Ethiopia's, it is a necessity. Techno Brain is an IT company based in Tanzania with branch offices in other countries including Ethiopia. Capital's Eskedar Rife sat down with Mekonen Tesfaye, Country Director of Techno Brain Ethiopia, to discuss about Techno Brain and its role here as well as the challenges the company has faced as an IT company in Ethiopia.

Capital: What can you tell us about Techno Brain, what it does locally and internationally, and the challenges it faces?

Mekonen Tesfaye: Techno Brain is a company in Tanzania. It started operations in Dar es Salaam, Tanzania in 2008 and is a multi-IT solution center. The main challenge is the economy here. In 2015, the exchange rate of the Tanzanian Shilling was 1,000 to one US dollar. It is now 2,000 to one US dollar. This means that the cost of doing business here is very high. We have to find ways to reduce the cost of doing business here. We have to find ways to reduce the cost of doing business here. We have to find ways to reduce the cost of doing business here.

and finally moved into the business of providing IT solutions. Some people recognize Techno Brain as a training company because we have a training center with a company called Techno Brain, a U.S.-based IT training center.

We try to provide the best services we can. The market is very competitive. We are trying to provide the best services we can. We are trying to provide the best services we can. We are trying to provide the best services we can.

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such as driving licenses and passports. The company also has a passport processing center. We have a passport processing center. We have a passport processing center.

the system we are setting up for the Federal Transport Authority of Ethiopia.

Another system that the company provides is called the GIS (Geographical Information System). This system is highly sought after in Ethiopia. Then of course there are the training services we offer. One of the challenges we face is that the IT market in Ethiopia is not well developed. People don't know what they want and what to buy so we have to educate them on how to identify what they want and how to use it properly. That is why we give training alongside other services. We are system integrators and don't stick to only one product, but work with all the known brands. The company remains with clients who require a specific product and provide at reasonable prices. Most companies are not yet ready to spend a lot of money, so we conduct researches to find out what is right for them and offer them lower rates. In general, we are a customer-focused African IT company.

There is a huge challenge in change management. Companies find that they have to transit from paper documentation to automation and understandably, there is a lot of resistance because it is expensive. Furthermore, big automation projects are time consuming and the results aren't usually evident in the short term. It is not like any other hardware where you see the results right away. It tends time to be effective. When you look at Ethiopia, in terms of automation, we are way behind, but by observing other African countries that are ahead of us in the field, like Kenya and Tanzania, we can learn from their experiences when they started out and build on it. We know infrastructure is a problem here. One company that is providing other legal alternative solutions that do not depend on the Telecom infrastructure.

Capital: So in the last two years, what kind of projects have you been working on in Ethiopia?

Mekonen: Our first project was with the Ethiopian Airlines Credit Union. The Credit Union had over 3000 members, which I think is the largest, when compared to other Credit Unions. They wanted to automate their system and we provided that service, which allowed their members to apply online for a loan. If they do desire, this is one project we are proud of.

Another project that I am very excited about is the driving license project we are working on with the Federal Transport Authority.

The driving license that will be issued soon will use our Secure Register fingerprint system. The problem with driving licenses has been a big issue, there are individuals who have 3 or 4 different driving licenses from different regions, so when one license expires or is seized by the traffic police for violations they use the other because there is no way of knowing if they have other licenses. The Federal Transport Authority will be using FVC plastic cards that have a high security protection system, including the fingerprint system. First, the Authority will

issue 400,000 of these licenses and plans to eventually change the already existing licenses as well. It is like a TIN number, one person cannot have more than one TIN number, consequently, it is going to be the same with driving licenses.

Another project the company is involved in is a Call Center project we are working on with the Ethiopian Revenue and Customs Authority (ERCA). This undertaking is a first for this country and will have 12 agents in the call center. The center will offer different services and will be given the necessary support. The center will identify callers by name and TIN number through its Customer Relationship Management System (CRM) and the call agents will be able to access the tax payer's history, making it easier to help the caller. This is done to give a personalized service. The call center will be launched soon.

One of our largest ventures is with the Ethiopian Postal Services Enterprise (EPSE), we are working on automating the domestic mailing system. Customers will be able to track the time they mailed through a website until it reaches its destination.

Our other project is with the private sector where we see potential, especially in the manufacturing sector. We are working with National Cement and Adamo Spinning Factory to help them set up an ERP system. We are also working on a mobile app for the company to help them manage their inventory, sales, and customer relationship.

Capital: Why do you think many companies are resisting automation of their systems?

Mekonen: There are many reasons and have mentioned some of them earlier. To mention one is the question of money and IT does cost money. Money, which they don't have, is not ready to spend. This is why we are planning to provide a hosted model service where they can pay every month, and that way they can see if it is not operational expenses instead of a big one-time cost that costs a lot of money. The other reason is transparency. Many have a problem with that, and when you automate, you will not be able to hide anything and everything will be accessible or visible in the system and some have a problem with that.

Capital: You mentioned that your biggest ventures was with EPSE. How big is it in terms of money? What and how big are your projects abroad?

Mekonen: The biggest project we have here is with the Ethiopian Postal Services Enterprise. It is over 15 million birr, but we do have other projects in other countries. For example, in Malawi we are involved in an integrated financial management system (IFMS) project worth 32 million USD.

Capital: Enlighten us on the challenges Techno Brain provides.

Mekonen: We are an international IT company who provide the same services.

Capital: What makes Techno Brain different than other IT companies who provide the same services?

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Capital: What are some of your plans for 2018?

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company with a focus on Africa. If you look at other international IT companies, their view of Africa is negative and we, as a company, have developed focused solutions for African customers that enabled us to cater to that part of the market. We are an African company and we have specific solutions and services for Africa. In Ethiopia, I don't believe we have a competitive edge. The real problem for us here is not with competition, but with the ability and maturity of the market. On how far they can make a decision and require a real understanding of what is needed and why. I personally prefer to have competitors, because then the awareness of the need of IT solutions will be higher and they will be more open to spend on it. We wouldn't be the only ones remaining in Ethiopia, we are the first IT Company to become ISO certified. When people come to us, they already know we are capable of providing them with a solution that matches their requirements, but it doesn't come cheap, quality services come with a price.

Capital: I believe you are a socially responsible company. How do you carry out your responsibilities to the community?

Mekonen: We provide free trainings. We do this because we believe, we are confident, you have to be knowledgeable. A person with no confidence is always resistant to change. The company believes that problems will be solved through the provision of trainings in different areas. Primarily, this is done for selected government organizations. We have the infrastructure to give the necessary trainings, and as long as the infrastructure is there, why not give out free trainings? We also have discussion forums where our own people discuss and other interested parties can participate and discuss on different issues around IT.

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We have many plans for 2018. As I have said, infrastructure is one area where we will continue to be heavily involved. If you look at the time and effort that many universities are putting into automation, you would be really amazed and it is very interesting. Most of the time we do projects, these universities and adopt new technologies and then we have a really good idea of higher education institutions. We will be working with them. The company will also be working with NGOs who are interested in upgrading their financial management systems and customer relationship management systems. Because they want to offer personalized services. A lot of private manufacturing companies are also beginning to automate their systems, and we are also looking into that as well.

Capital: What does IT really mean for a country like Ethiopia?

Mekonen: Quite a bit actually. Everybody has seen and it still seems like IT is transforming the world. If you look at India today, one of their major exports is dependent on IT. They have grown and exceeded so much in that area that it is actually very expensive to outsource from India now. That is why we believe Africa is the next center of gravity, which will attract a lot of investors who we think will be driving in drives. We are currently setting up a huge business process outsourcing center and research and development center in Nairobi, Kenya. When you come to Ethiopia, like I said before, there is still resistance and reluctance. When you look at the government's Growth and Transformation Plan (GTP), it is the major enabler that can transform the way we work, therefore it is a major player in growth and development. Technology, for a country like ours with a fast growing economy can without a doubt support us in the process. It is everything for this country, it really is not a choice anymore, it is a must. If our companies are to be competitive internationally, automation, etc. is a must. The Ministry of Industry (MI) is encouraging firms, in the event that it even supports manufacturing industries up to 10 percent, in the manufacturing industry sector to lock 250 jobs.

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