KICTAnet

Online Discussions

Critical Success Factors for the Kenya BPO Sector

eDiscussion Report

2nd-15th June 2009

Acknowledgments

We wish to thank both IDRC (International Development Research Center) and KICTAnet (Kenya ICT Action Network) for supporting both the Research study on the BPO Sector and the subsequent Online Discussions. Special thanks to the KICTAnet members who made this particular Online Discussion one of the most lively and informative in recent times. We are sure your contributions will inspire each Stakeholder in a special way and provoke them to action that can nature and sustain the emerging BPO Sector.

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Executive Summary

A team of Researchers (BPO Researchers) were commissioned by IDRC to do a study titled: *Development of a Business Process Outsourcing Industry in Kenya: Critical Success Factors.* The aim of this study was "to undertake comprehensive research in the business process outsourcing (BPO) sub-sector in pioneer, emerging and mature markets to provide evidence and a deeper understanding of the imperatives for success in this industry to better inform Kenya's policy decisions and investment choices". The studies were conducted in two client countries, namely United Kingdom and the United States of America and four vendor countries, namely Kenya, South Africa, India and Mauritius.

After the above study was completed, the Researchers had preliminary Results/Reports (Synthesis) that they felt needed to be discussed by Stakeholders with the aim of cross-checking and validating some of the preliminary conclusions. KICTAnet, a multi-stakeholder forum was chosen as the platform to subject the preliminary findings of the study to the Stakeholders.

The Stakeholders discussed the Research Synthesised findings under various BPO themes that included: Policy, Legal and Institutional (Governance) Frameworks, Subsidies, Human capacity Issues, Youth & Gender issues and Strengths & Challenges facing the BPO sector. Notable feedback on the BPO Governance Frameworks was the lack of enabling legislation specifically the Data Protection and the Freedom of Information Acts. Lack of enforceable Standards for BPO Training and Operations in the industry was also cited as a barrier to provisioning high quality standards of service. Negative publicity, general insecurity and unreliable Utilities (power, road, telecommunication) presented institutional challenges that made it difficult to sell Kenya as a favourable BPO destination.

With regard to Human Capacity, the lack of a standardized BPO curriculum, lack of a National Skill-set Register and little or no experience for the BPO Operators made Kenya's BPO labour market less competitive. Domestic "outsourcing" both from Government and Private Sector was proposed as the best way to demonstrate confidence while providing experience to the emerging BPO industry. The question of Subsidies for the sector was highly contentious with some participants pushing for an array of benefits - Tax-holidays, Utility and Training Subsidies, Government Contracts, amongst others. Those against subsidies argued that BPO is a sub-sector just like any other and therefore should not enjoy Government-subsidies at the exclusion of the others.

The Youth and Gender discussion revealed that lack of clear, career-path progression meant that most youth in the BPO sector considered their jobs as a stop-gap measure to a better opportunity elsewhere. It was also observed the that Kenyan Labour law that afforded mothers 3months maternity leave meant that employers implicitly preferred male employees. Finally, participants discussed the Strengths and Challenges, noting the advent of the undersea cable as the biggest strength while Negative Publicity as the biggest weakness.

Introduction

Background

A team of Researchers (BPO Researchers) were commissioned to do a study titled: *Development of a Business Process Outsourcing Industry in Kenya: Critical Success Factors.* The aim of this study was "to undertake comprehensive research in the business process outsourcing (BPO) sub-sector in pioneer, emerging and mature markets to provide evidence and a deeper understanding of the imperatives for success in this industry to better inform Kenya's policy decisions and investment choices". The studies were conducted in two client countries (namely United Kingdom and the United States of America) and four vendor countries (namely Kenya, South Africa, India and Mauritius).

Program Setting & Description:

After the above study was completed, the Researcher had preliminary results/reports (Synthesis) that they felt needed to be discussed by Stakeholders with the aim of cross-checking and validating some of the preliminary conclusions. KICTAnet, a multi-stakeholder forum was chosen as the platform to subject the preliminary findings of the study to the stakeholders.

Program Design (Data Collection, Data Processing)

Data Collection:

The Online Discussion was structured along the following themes that were discussed electronically over a period of 2 weeks according to the following schedule:

1. The policy, legal and institutional frameworks for BPO sector (2days, Walubengo moderating)
2. Subsidies accorded to BPO sector (2days, J. Walubengo moderating)
3. Human capacity issues (2days, J. Walubengo moderating)
4. Youth and gender issues (2days, Dr. C. Adeya moderating)
5. Strengths and challenges for Kenya as a BPO destination (2days, Dr. C. Adeya moderating)

Data Processing:

The various contributions from the Participants were analysed and collated into a Final report.

Aim: To present the interim findings from the BPO research team and to get inputs from the ICT community and other e-participants in Kenya..

Objectives

The Objectives of the e-Discussion were:

- to share the interim findings of the BPO study
- to obtain inputs from the e-participants
- to begin to build consensus on the policy implications

Main Outcomes/Deliverables

The key outcomes of the exercise included:
1.Summarised eParticipants contributions
2.Final Report for subsequent dissemination to members and other stakeholders

Tools

Online Tools (email, listserver, internet)

Resources.

Moderator (Online)
Participants (Online)
Web Resources

eDiscussion Proceedings (2 week Discussions)

The following is a summary of the discussions as they were undertaken online:

The policy, legal and institutional frameworks for BPO sector

Policy Framework- Day 1 of 10.

The Moderator started off the discussion by saying that that Policy informs both the Legal, Regulatory and Institutional frameworks such that if we got things wrong at the Policy level, then naturally, the rest of the frameworks would not work.

The BPO Research (whose synthesis was attached) established very comprehensive Policy frameworks in the selected countries of study - S.Africa, Mauritius and India. When compared to the Kenyan situation, the Researchers had found that at a National level, BPO is simply listed as one of the six KEY sectors of the Economic Pillar within Vision2030. They also found that the National ICT Policy (2006) does not explicitly mention BPO - even though some of the objectives may implicitly relate to BPO.

Which then brought up the following specific questions for discussion:

Q1: Should we at a National level be placing emphasis on an "ICT Sector" or on a "BPO Sector"? which of the two should be a subset of the other?

There was divided opinion on this question. Some participants felt that emphasis should at a National Level be on the whole of the ICT sector while opposing side felt that BPO subsector would tend to be lost in such an approach. A desk study done in 2008 for International Trade Centre of UNCTAD - BPO/ITO activity in Sub Sahara Africa - was quoted to support this view.

Q2: Beyond the BPO policy statements in our V2030 document, don't we need to do more by creating clear and monitor-able plans/targets for the BPO sector - BPO Strategic Framework? How should this be done?

Participants revealed that indeed detailed Policy, Vision, Mission, Objectives, Activities with their timelines and actors did exist in the public and private domains. The public domain having this documents were quoted as Ministry of Planning, Ministry of Information and Communication and the Kenya ICT Board - with BPO plans getting more detailed respectively. In the private domain, Kenya BPOCC Society was singled out as having the sector specific plans and standards.

Legal, Regulatory Frameworks-Day 2 of 10

The Moderator said that the BPO Research study found very comprehensive Legal and Regulatory environments in S.Africa, India and Mauritius that supported their BPO industry. Specifically, laws that took care of eTransactions, eCrime, Copyrights and Data Protection were well established. Furthermore their BPO Industries had adopted stringent Quality Assurance Frameworks for BPO and Contact Center Operations.

The Researchers had found that the case for Kenya was relatively comparable - with the recently enacted KCA Act (2009) that dealt with eCrime & eTransactions leading the way, others like the Copyright Act (2001) as well as the Freedom of Information Bill currently at an advanced stage which provided for an encouraging Legal/Regulatory environment.

With the above remarks, the Moderator then brought up the following two questions for discussion:

Q3: With submarine cables landing next week and given the above legal/regulatory frameworks, how comes Kenya is NOT experiencing the anticipated boom in the BPO sector? What should we do to get local and foreign investors to show more confidence in the BPO industry?

Participants gave various reasons to explain why the BPO industry was NOT taking off as expected. These included:
i) that Kenya must compete on several fronts other than just Infrastructure and Cost. Specifically, Political Stability, Physical Security, Quality of Life, Workforce and Perception - how Kenya was viewed internationally was critical. Theres is therefore need to work on improving the countries international reputation and capacities in these areas.
ii) that Foreign investors would not be confident to come to Kenya unless the local companies have demonstrated confidence in the local BPO companies by way of giving them BPO jobs (i.e Domestic Outsourcing e.g Private Sector and Government should outsource call-centers and /or other technology enabled services)
iii) that Kenya should empirically demonstrate the quantity and quality of its labor force by way of a National Skills Register that can be interrogated by prospective BPO employers/investors
iv) that whereas marketing Kenya as destination was necessary, there might be too many bodies doing so (Tourism, ICT, Marketing ,etc) without coordination and these could lead to duplicated effort and conflicting messages.

Q4: Could there be gaps in our Legal, Regulatory and Institutional frameworks that need to be addressed?

Participants discussed the issues and gave the following
i) That Kenya was lacking two major laws that could have a positive impact in the BPO sector :-The Data Protection Act and the Freedom of Information Act.

ii) That the Regulatory environment needed to get a way of enforcing Quality and other Standards within the industry

iii) That BPO Policy should be in-sync with other Policies such as Educational Policy to promote science and technology at elementary/secondary schools.

The was however, some opposing views given by participants who felt that there exists a risk of over-regulating a BPO market that had not matured which could be counterproductive to the industry.

Institutional Frameworks-Day 3 of 10

The Moderator opened the day's theme on Institutional Frameworks. He said that the Researchers found that in S.Africa, Mauritius, and India, the Private Sector BPO lobby groups, Data Security Groups and Government Agencies were working harmoniously with clear, non-overlapping mandates to support the BPO sector. In Kenya it was found that several bodies were involved in the BPO Sector. These were largely Government agencies such as the Min of Education (Technology Parks), Kenya ICT Board, KenInvest, Export Promotion Council, CCK amongst others. The biggest challenge in Kenya was that there seemed to be no overall, coordinating body overseeing these functions - leading to alot of duplicated and un-coordinated effort from the various Players. And so our next Qtn is:

*Qtn 5: What needs to be done to improve/strengthen the institutional framework in order for the BPO and outsourcing sector to play its planned role in the Kenyan econom*y?

Participants were agreed that there was need to have a single body mandated by law/policy/regulation to oversee the BPO sector. Such a body would oversee and harmonize the budgetary requirements for Infrastructure, Capacity Building and Marketing/Branding. There were also discussions on whether Kenya should define their area of interest in the BPO value chain that is: Should Kenya focus on the lower-end, Business Processing Outsourced Services (e.g. Voice Services/Telemarketing) or should they target the high end, Knowledge Processing Outsourced services (e.g. Software Engineering). Participants felt that a broader approach focusing at each level would be appropriate but note that either focus would fail unless sufficient resources are committed to developing the sector. Finally, some participants debated on the best anchoring position for the BPO sector - is it a Trade, Industrialization or an ICT issue? Agreeing on this question would then shed some light on the appropriate institutional framework for the sector.

Government Subsidies-Day 4 of 10

The Moderator thanked participants for the insights shared over the previous few days. He particularly noted the counter-question from one of the participants that had asked whether we were "over-regulating" an emerging market as the "answer" to the question on "if we had legal and regulatory gaps". He encouraged participants to challenge and rather than just answer the questions floated. Other notable issues included:- where do we want to play within the BPO Value Chain, the Impact of the Political (in-)stability, the need to map our Data Protection laws to those in the target markets and the need for a central coordinating body in the sector.

He then opened the Day's theme on Government subsidies. He said that BPO Researchers observed that S.Africa and India had elaborate subsidy provisions for the sector that included Tax Holidays and Exemptions, Investment Grants to BPO operators, Training Subsidies, One-stop shop for Corporate Company Registrations that could be 100% foreign owned, etc. The Researchers had also noted the unique Mauritius case which had similar incentives but eventually abolished most of them arguing that they were *more* beneficial to the BPO Operators than they were to the Nation.

On the Kenyan front - other than the NOT so successful Government Bandwidth subsidies for Operators, the Researchers had noted very little in terms of incentives available to BPO Operators. It was also noted that the BPO operators had to be within the EPZ in order to enjoy the minimal subsidies that other EPZ corporates enjoy - the problem being that most BPO operators exist outside the EPZ area. Whats more, BPO operators had to pay additional charges to be registered by the CCK (Regulator) and should be at least 20% locally owned.

With the above background, the moderator floated the following question for discussion.

Qtn6: What incentives / subsidies should the government provide to BPO operators? What of the clause requiring 20% Local shareholding in foreign companies - is it prohibitive or helpful?

On the type of subsidies required for BPO operators, participants gave various options that included:
i) Tax Breaks
ii) Training Subsidies
iii) Utility based Subsidies (Telecommunication, Energy/Power, Transportation)
iv) Loans (Interest free)
v) Monopoly to Government BPO Contracts

Participants however said that such subsidies must have a clear "exit" time-frames, that is a clear guideline on WHEN a BPO operator should stop enjoying such benefits. There were however opposing views to subsidies, with some participants arguing that there was nothing

special about BPO sub-sector that justified unique and preferential treatment. It was argued that Treasury or Ministry of Finance had to take care of numerous sectors competing for resources and would need solid reasons to justify benefits for one sub-sector and not the others. Participants holding the opposing view further said that most of these incentives tend to be biased towards International investors at the expense of local investors who probably are having a greater impact (on employment) despite not having the incentives (e.g. Safaricom MPESA phenomena)

With regard to the 20% local shareholding requirement for foreign investors, participants were again divided in opinion, with some arguing that it is necessary and beneficial since it ensured that profits made by foreign investors were partly retained in the country. Those opposing this rule argued it was a barrier to investors who were finding it difficult to raise corresponding(20%) capital investments from local entrepreneurs - and so they fail to incorporate companies or vehicles for doing business locally. As a way to increase investments it was therefore necessary to do away with this rule and instead require that investors float their shares to the public after several years of operations (as a way of bringing in local-shareholding). This was considered a fair compromise BUT with the caution that it could be exploited by locals who may incorporate companies in foreign lands in order to exploit such incentives - without really delivering in terms of employment and other investment related opportunities.

The Moderator introduced the theme on Human Resource Development for the BPO industry. He said that the BPO Researchers found that India, S.Africa and Mauritius had a comprehensive inventory of their skill-base that was also available for Validation by prospective employers and investors. Another observation was the sheer numbers of Indian graduates (millions) that made globally the largest base of highly skilled pool of graduates with strong mathematical/scientific orientation. Whereas, Mauritius was producing only 10,000 (university) graduates per year compared to Kenya's 30,000 per year, Mauritius had the advantage of properly documenting their national graduates database and marketing it appropriately to potential clients in Europe/America. In addition, the Researchers noted that Mauritius had a government funded but Private-Sector oriented ICT Academy that produced graduates specifically for the ICT industry.

In Kenya, the Researchers observed that apart from the lack of a national database on the available skills/graduates, some of the BPO operators were engaged in vicious poaching cycles where Agents trained in-house by one Operator are immediately hired by the Competing Operators. It was noted, that an attempt has been made by the .KE Government to create an Industry-specific University (Multimedia University College of Kenya) to address such HR gaps but its success or otherwise would remain to be seen in a few years time. The Researchers also noted that Kenya's English-speaking labor force had an edge over the Indian one given that the average Kenyan had a "neutral" accent unlike the Indian graduate who tended to have an "ethnic" accent that often distracted the Euro-American markets/clients.

But this advantage is yet to be exploited - even as the Indians move up the BPO value chain and concentrate on non-accent related processes such as Software Engineering, Research (Financial, Medicine, etc), Product (e.g. Civil and Architectural) Design amongst others.

The Moderator then introduced the day's questions as given below.
Qtn 7: How do we develop a national database on the wide-range of available ICT skill in Kenya - specifically which institution should be mandated to realize this, ensuring that such a database is kept upto date over the years?

Participants discussed this point and came up with the following ideas and reports.

i) That already the CCK had commissioned Central Bureau of Statistics to undertake a National audit of ICT skill in the country.
ii) That Computer Society had also done a study on the ICT Skills in the country (2004) for the World Bank
iii) That a combined approach that enables a merger between different database held by different entities (Min of Education, Universities, Colleges, Employers) could be used to reconstruct an accurate profile on ICT skill sets ion the country.
iv) That a National Task force on BPO could be commissioned to carry out the audit task.
v) That the upcoming National Census exercise should be reviewed to include questions that can then inform policy makes on ICT skill-sets in the country.

Participants observed that such an ICT Skill audit exercise should be broad enough to take congnisance of the fact that non-ICT disciplines such as Medicine, Law and Finance professionals also do have an opportunity in the BPO sector.

Qtn 8: What strategies should the country adopt to ensure a continuous supply of relevant and timely BPO-Specific skills?

Participants had a wide range of suggestions for this question. The key strategies included:
i)Targeting Working/Employed personnel and offering them them top-up programs/certificates in BPO Services
ii) Targeting Graduates from various disciplines and offering them top-up programs/certificates in BPO Services
iii) Targeting on-going under-graduates and integrating BPO curriculum within their current disciplines
iv) Targeting Primary and High-school students by exposing them to ICTs in Education - hence exposing them to ICT possibilities at an early age
v) Promoting domestic Outsourcing as an avenue to gaining pre-requisite experience to take on International jobs.
vi) Leveraging on existing competencies to curve out unique and innovative niche BPO markets such as providing our highly qualified Secondary School teachers with the skill to sell their services across the region through ICTs.
vii) Building and adopting a Standardized curriculum that address the various levels of the BPO value chain (Call&Contact Center, Transcription, Finance/Legal/Software Eng)

Many in the industry usually express concern about the youth and gender issues yet the discussions on this in the KICTANET forum was a little disappointing. One of the participants commented that the BPO industry is relatively young, an emerging industry, and many employers get away with ignoring the employment laws – for example, leave, working hours and medical cover. He argued that many youngsters are technically 'casual laborers' engaged on a long-term basis without clear employment benefits within the law. However, another participant was not sure that a BPO operator would make such a 'suicidal gamble' by ignoring employees welfare; it is a little difficult to do so as the services offered are mostly real-time interaction with humans and not machines, hence welfare is critical to business input.

A participant emphasized that there is a need to raise awareness among the youth, of the opportunities for career growth within the Call Centre industry. The issue of career paths brings into play the opportunities for career growth presented by 'general' or 'wider' call centre industry which includes the captive call centres (in-house centres owned by the Corporations). A lot of the discussions have focused more on the outsourced call centre/BPO operations where Call Centre Agents can move up to Trainer, Call Centre Manager, Quality Assurance, Analyst, Workforce Management, Operations, General Management and various other functions within the call centre. However, in the captive call centres, Call Centre Agents can grow in their careers and diversify and move into senior roles within other areas of the business, in the industry they are working in, for example, banking, telecoms, insurance and retail. This happens often in the UK call centre industry.

There was a perception that the Kenyan environment is not so conducive when it comes to promoting the youth in entrepreneurship. While the Youth Fund has helped the youth become economically independent, it is only pegged to activities, such as, hardware and human rights. The BPO sector is thus not supported by this Fund maybe due to the cost implications attached and the fear of adapting change.

On the gender issue, many thought it is not such a major problem in Kenya. Most BPO industries are able to attract a proportionally balanced employee base. The main problem is in scheduling women to work on late shifts which may put their safety in jeopardy or may make them compromise on other socio-cultural duties. In addition, BPO jobs are sometimes referred to as "sweat jobs" where both gender are exploited without much quality in the type of job they are undertaking, the conditions under which they work, transportation during night duty, cases of insecurity and how it affects both gender. Could the approach used by Mauritius which has prohibited night shifts for youth and women be the way to go? Or could Kenya adopt some variation of this or legislate some minimum level of protection and safe transition of staff during night hours, maximum work time etc.

A participant suggested that based on the data and observations made, it would be useful to unpack the gender issues (and youth issues) observed within the Kenyan BPO industry. For example, were there cases where there were gender differentials in remuneration for the

same job? If so, it would be worth Kenya legislating like India, if this piece of legislation does not exist as "…in India, there is the Equal Remuneration Act passed in 1976, providing for the payment of equal remuneration to men and women workers for same or similar nature of work. Under this law, no discrimination is permissible in recruitment and service conditions except where employment of women is prohibited or restricted by the law". In many enterprises, women tend to occupy lower jobs compared to their male counterparts, a participant wondered whether in Kenya should not consider Mauritius strategy of affirmative action which ensures equity in professional level jobs and that training should be provided to both gender to ensure upward mobility is enjoyed by both.

Another participant clearly stated that if one operates within existing laws in Kenya today, it is unlikely that anybody will be exploited. The more pertinent question is "are the current labour laws in Kenya conducive for BPO operations?" In response, another participant argued that the newly enacted law on maternity and paternity leave may be a challenge to struggling BPO enterprises. The law allows for 3 month maternity leave plus annual leave. Employers may find it difficult to pay salaries for employees who are legally kept away from work. This may discourage them from employing many young women. He wondered, however, whether it is against the law to allow a mother and baby to be present at the place of work and whether there were any call centres doing this? This was confirmed by Safaricom that their new call centre has crèche facilities and gym.

A participant summarized that the 'silence' on discussions on the youth and gender issues is due to the fact that these come into play during the maturity stages of any industry and the BPO industry in Kenya is too young.

Strengths and Niches

A participant began the discussion in this section by quoting a wise man who once said "if you stop to kick at every dog that barks at you, you couldn't get very far". He said that rather than get discouraged and try to win over the nay-sayers, the BPO industry should view this as a challenge to prove them wrong while "laughing all the way to the bank", like Safaricom has done. In essence the strength lies in one's attitude and approach to dealing with the challenges.

A participant suggested that Kenya should consider the TEAMs cable that landed in June 2009 as one of our strengths and niche areas and this was in line with another who said there is a lot of local content which needs to be utilized, and the BPO sector will be central in making good use of the local content. Another great strength is the good political will in terms of capital, motivation, positive perception for the BPO industry. The government is actively involved in the various initiatives to develop the BPO industry. This also includes BPO as a key pillar in the Vision 2030 plans.

It was suggested that our strengths lie in our large number of accountants, medical professionals, radiographers, engineers, translators, researchers, teachers, actuaries, programmers and Information Technology professionals in general.

Weaknesses

A huge debated ensured around the suggestion of a participant that our (Kenyans) greatness weakness is negativity. He noted that we see competitors as enemies instead of embracing them and working for the country. In addition, Kenyans should be careful as foreigners also capitalize on these differences. In response, one mentioned that the key lies in our BPO branding which should be part of a national branding effort. The media were challenged to stop feeding the stereotypes like the 'mungiki' image of Kenya; or the notion that Kenya is helplessly corrupt. There should be more communication of messages like the *Proudly South African* brand that has diverted many opportunities to South Africa despite their crime levels.

This was further supported by one who argued that the media has refused to link 'Mungiki' with the economic crisis in Kenya. There is lack of analytical depth in the media houses, otherwise why would a local media house have a title such as '*Cable lands into financial trouble*' when the international 'Financial Times' has a positive story on the cable landing; this impacts the country negatively. Another participant gave an example of how India has capitalized on the human story in relation to the success in the BPO industry rather on what the government has or has not done. He suggested that if similar human stories could be compiled from the Kenyan BPO perspective, it would help push the media for more positive stories.

A slightly opposing opinion is that the media need to report both the good and the ugly news; the key is to create a balance. Real people are dying in the villages where 'Mungiki' is a menace. The solution is to pressurize the Minister in charge of internal security, the Administration Police, Police, Paramilitary (GSU), CID, Special Branch and so on, to contain

this menace. In supporting this, another participant queried whether it is the job of the local media to report for outsiders or Kenyans who need the information to make decisions? He said the onus is on the government to sort out corruption, insecurity and infrastructure to create an environment for investment and not plead with the media to abdicate its obligation to report accurately. The response to this is that the media must move from incident reporting to providing analytical reports that can help Kenya and Kenyans to grow.

Some felt the root cause of this negative energy is tribalism. Kenyans identify themselves first as being from their tribe, then second as being from their clan and finally as being from their country, the 'Navumulia' kua mkenya mentality'. This negative energy will override any marketing dollars and there must be deliberate effort to sell Brand Kenya internally. Kenyans must find a way to celebrate their diversity rather than exaggerate their differences. This is supported by a participant who noted that there are as many positive Kenyans as negative but they are swallowed by the bad elements from within. However, things will not change if there is no deliberate change intervention and he believed it will be impossible to achieve Vision 2030 with this attitude. He therefore suggested a 4th pillar in the Vision 2030, NATIONAL COHESION. It is needed to achieve the other plans. There is a need to sell Kenya to Kenyans before we go out to foreigners.

Apparently, one person believes that state corporations are not keen to use Information Technology (by extension BPO) because of fear of 'losing' touch with the citizens. Examples given are corporations like the security department including the CID, Army, NSIS and Immigration. Financial institutions on the other hand are utilizing the technology though cautiously, the main fear is security. For instance, banks will not communicate with a customer through the Internet, especially when discussing financial status of an account holder. The same is true of hospitals.

Finally, there are many Internet savvy Kenyans, but many do not all understand all the hype about the BPO industry and what it really is. This is supported indirectly by a participant who was concerned that we must engage everyone in this BPO industry issue as organizations like auditing firms and research firms have been outsourcing for years.

Wrapping up
On the final day of the discussions one participant concluded that the way forward is that the BPO industry needs to demystify the industry. They need to guide accountants on how to outsource accounting services to a Japanese company for example, in the same way a programmer can provide services to a pharmaceutical company in regards to malaria patient's management. With the broadband available nationally, a teacher in Wajir can teach American students Kiswahili, how can the BPO industry capitalize on this? Other examples included an outsourcing company organizing theme programmes, for example, inviting a local Chef to teach foreign audiences how to prepare *nyama choma*.

There also has to be better coordination between decision makers. There was a suggestion that taking the South African route may pay faster than the Indian one. South Africa built a strong local outsourcing before venturing out to obtain international work. For example, if the Kenyan Judiciary could outsource their transcription services it could change the lives of many unemployed.

On the issue of too many institutions dealing with ICT issues with poor coordination between them, a participant suggested Kenya borrows from Rwanda by creating an oversight body like RITA (Rwanda Info Technology Authority) that has a broader coordinating role over all the others. This was resisted by many and some said RITA has even been swallowed under a more general regulatory authority. One suggested that perhaps, rationalization, re-engineering and merging would result in clearer, measurable, well resourced mandates for some of these institutions. There was a suggestion that the Prime Minister's Office should coordinate the ICT institutions. Yet there was concern that depending on how we rewrite our constitution, the Prime Minister's office maybe too strong, too weak or simply deleted and either case the ICT coordination role would then be misplaced. Clearly there is still a lot of confusion in the ICT landscape that needs to be harnessed and coordinated.

Evaluation & Feedback

Technical

There was excellent technical reliability of the listserver with no reported incidents of technical failure.

eParticipants

During the eDiscussions, the KICTANet listserver had around 350 (three hundred and fifty) subscribers with about twenty five of them contributed actively during the eDiscussions.

Moderation

The discussion was moderated by two people, one of whom was involved in the initial research/study. There was lively interaction and sharing of information from the participants and it was not only easy but enjoyable to moderate such an audience. The Synthesis (short summaries) posted before each them may have helped and inform participants contributions.