

CBS International

Editorial

“I’m creating something from scratch.”

*Sophia Bekele runs three companies
in her campaign to bring advanced
technology to Ethiopia---on her terms*

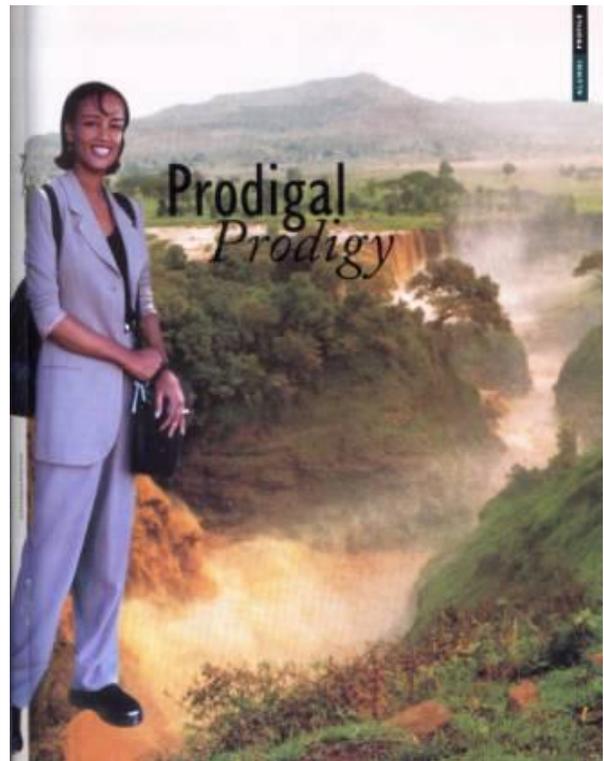
By K Kaufman

Sophia Bekele (MBA) is sitting in her home office in Walnut Creek, California, talking a mile a minute as she leafs through a notebook with her five-year plan for bringing the information age to her native Ethiopia.

“ The Internet and satellite communications are going to be key to economic development in Africa,” she says. “Look at how the Internet has transformed business in the United States. If we could do that in Africa, we could skip a lot of the mistakes the West has made and take a quantum leap into the 21st century. It may not be plausible, but some times surprising things happen.”

Bekele is a woman who likes to make things happen. Two years ago, she left a high-powered position in corporate data security and Information Systems Management at Coopers & Lybrand (now Pricewaterhouse Coopers) to become the president of City Business Services (CBS), a struggling computer systems and training firm in the Ethiopian capital of Addis Ababa. Today, the firm has a 40 percent market share and Bekele has become a rising figure in the Ethiopian business community. She is known there for her efforts to adapt Western business methods to the realities of the country’s tradition culture and growing, yet still unstable, economy.

Recruited fresh out of college by Bank of America, she became one of a handful of women and people of color working in data security, a highly specialized field. An MBA in management Information Systems from Golden Gate led to managerial positions with Mitsubishi Bank and Coopers & Lybrand. The jobs provided career advancement, Bekele says, but less and less in the way of personal satisfaction.



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A modern-day prodigal daughter, Bekele seems to have found her purpose in straddling the disparate and at times antagonistic African and American cultures. Always “career oriented.” Bekele left Addis Ababa after graduating high school at the age of 16. Landing in San Francisco, she was soon studying computers at San Francisco State University and working as a model on the side.

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equal partners.”

Including a personal passion for travel, Bekele left her job at Coopers and took off for several months in Europe and Latin America, where her vision of bringing information technology to developing countries first began to take shape. She was then lured back to Addis Ababa by her family and the opportunity at CBS, a company that had successfully pioneered the computer market in Ethiopia in the early 1990s, but was now foundering due to increased competition and poor management.

“I thought maybe I could do something fruitful there. Maybe I could make a difference,” Bekele says. “In the United States the high tech field is so developed, in most cases you’re just improving on what’s already been done. In Ethiopia, I’m creating something from scratch.”

It was, by any standards, a formidable challenge. Resource rich but infrastructure poor, Ethiopia has a per capital income of \$200, a

“Corporate America was too predictable for me,” she recalls. “While I never felt discriminated against, I felt increasingly isolated as a women and minority, and I was not using my creative skills. I saw this happening a lot. The corporate ladder gets narrower and narrower, and there’s so much politics you have to play. It’s ironic because, for an organization to function properly, you have to cultivate the talents of each person. I started thinking about what I would do if I had my own company.”



Always a fighter, Bekele says the obstacles made her even more determined to succeed. Taking over at CBS in 1998, she engineered a top-to-bottom restructuring that repositioned the company as provider of total system solutions. The overhaul included new management and staff, an aggressive marketing campaign and—unheard of in the Ethiopian business community—strategic partnership with her local competitors and with high-tech firms in the West.

The hard work paid off earlier this year when CBS beat out 15 competitors for a high-profile contract to install a local area network (LAN) system at the headquarters of the Organization of African Unity in Addis Ababa. Bekele is working with 3Com and KPMG Peat Marwick on the project, and she’s continuing to develop partnerships with Bay Area firms through CBS International, a US-based company she

literacy rate just under 33 percent and a huge gap between the urban middle class in Addis Ababa and the rural poor. Bekele also had to contend with the country's border war with Eritrea, a computer market about ten years behind the United States and—most daunting of all, she says—an insular and very male-dominated business community.

“The first year was the hardest in my life,” she continues. “Ethiopia has always been influenced by Mideastern culture, and women are mostly expected to be submissive and quiet. It's very unusual to see a woman in a business suit going to conferences and talking about her products and services. It was very hard for me to be accepted for who I am and what I've done. I wasn't taken seriously.”

Bekele also acknowledges that technology, in and of itself, should not be viewed as a panacea or a substitute for social change. “Efforts to spread information technology are necessary for developing countries to participate in the emerging global economy,” she says, “but they may not be adequate to create economic growth. The challenge for countries like Ethiopia is not only to mobilize investment in new technology, but to work out appropriate economic policies in order to achieve the desired results from those investments.”

Bekele sees herself as a catalyst in this process. With her base in Ethiopia now firmly established, she is looking toward emerging markets in East Africa, the Middle East and, eventually, Latin America. She has just incorporated a third company, SbComminucations Network Enterprise (SbCnet), which will provide satellite communication and Internet services to Ethiopia and its neighbors in the Horn of Africa. Future plans include an information security firm and a nonprofit that will partner with Western corporations to create computer-training programs for children in developing countries.

started specifically to promote the transfer of technology to emerging economies.

Now splitting her time between Walnut Creek and Addis Ababa, Bekele is optimistic about prospects for Western companies in the African market, but also clear about her perspective. The goal of technology transfer, she says, must be to provide people in Third World countries with the skills and equipment they need to bridge the information gap that continues to separate the world's haves and have-nots.

“If you want to invest in Ethiopia, you need to work with the local people,” she states flatly. “Anyone coming in has to commit to training local people, to transferring skills and leadership. I want to see results. I want to see local people being empowered and equal participation, or the deal is not going to be signed.”

Bekele believes that such partnerships are essential for building a more equitable global economy, one in which Third World countries are seen as more than passive markets for Western products and US-style consumerism.

“If we teach our own people to empower themselves to an acceptable standards of living, then we won't import a lot of what the West promotes.” She says. “We'll develop our own people and our own expertise to the point where we can be self-sufficient and create our own technology, our own products and services. That is much more important than just accepting what the West is selling us now. Otherwise we've become silent consumers versus active trade participants. We want to be equal partners.”