APPLICATIONS OF INFORMATION TECHNOLOGY AND LOCAL CONTENT DEVELOPMENT IN THE ECONOMY: ISSUES & CHALLENGES

Presented by:

Michael Olajide

Sidmach Technologies Nigeria Limited

Agenda

- *Introduction*
  - *Definition of Local Content*
  - *Different Scenarios of Local Content*
  - *Information Technology Local Content Areas*
- *Capability And Capacity*
  -Business Organization
- *Capability And Capacity*
  -Human Resource
- *Strategies And Policies*
- *Infrastructure*
- *Perception*
- *Finance*
- *The Nigerian Factor*
- *Call To Action*

Introduction

Introduction

➢ IT is an enabler for growth and national development

➢ IT cuts across all industries – Education, Agriculture, Health, Transportation, Military, Finance, Oil and Gas, Construction, Sports, etc.

➢ Application of IT has become indispensable for quality living and economic development

➢ With good policy and strategy, IT can be one of the largest employment generating industry in Nigeria and also one of the largest contributors to National GDP

Introduction

LOCAL CONTENT

- Composite value added or created in the Nigerian economy through the utilization of Nigerian human and material resources for the provision of goods and services.
- Development of capacity;
- Utilization of Nigerian human, material resources and services
- Involves supply of services and products
- Employment of nationals
- When a foreign company makes products in a country, the materials, parts etc. that have been made in that country rather than imported

Introduction

Different Scenarios of Local Content

- Total indigenous company – 100% Nigerian Owned and staffed
- Partially indigenous company – greater than 50% Nigerian Owned and staffed
- Foreign Company – 100% foreign owned but 100% local staffed
- Total indigenous company but 100% foreign products
- Foreign Company but greater than 50% local products

Introduction

Information Technology Local Content Areas

- Software Development and Services
- Networking Products and Services
- Computer Hardware Manufacturing/Assembling and Support Services
- Data Management and IT Infrastructure Management
- Security and Identity Management,
- Cloud and Mobility, etc.

Capability And Capacity

– Human Resource

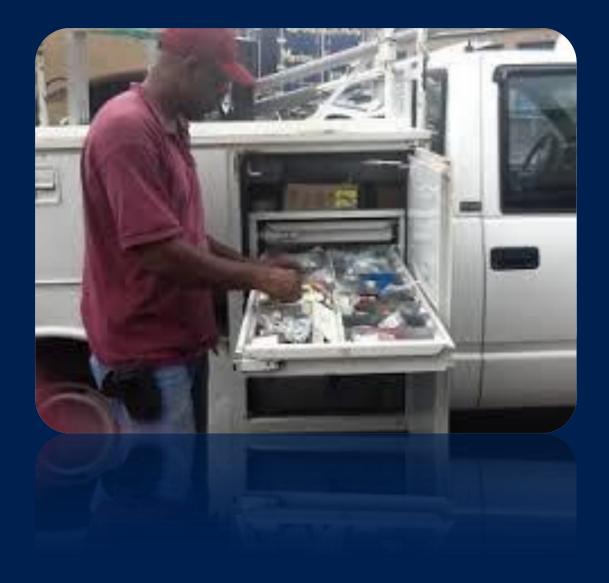# Capability And Capacity – *Human Resource Capacity*

- Indigenous Technical Skills
- Training Institutions
- Database of Practitioners
- Research Coordination
- Lack of 21st Century Skills
  - ✓ Communication Skills
  - ✓ Risks Taking
  - ✓ Teamwork
  - ✓ Leadership
  - ✓ Attitude
  - ✓ Integrity
  - ✓ Creativity
  - ✓ Emotional Intelligence

Capability And Capacity

Business Organization

Capability And Capacity – *Business Organization*

- Few Strong IT Companies
- Jack of all Trade Small Businesses
- Lack of Collaboration
- Low level Innovations

Strategies And Policies

Strategies And Policies

Strategy:

Which Model for Nigeria
- ✓ _Nollywood Style_
- ✓ _India Style_
- ✓ _Others_

Model must be based on
- ✓ _A Nigerian Vision_
- ✓ _Global Best Practice_
- ✓ _Local Needs_

Policy:
- ✓ _For Progress – Understand the Landscape to Avoid Summersault_
- ✓ _Not Government Domain Alone_
- ✓ _Monitoring for Compliance and Enforcement_
- ✓ _Based on International Standards_
- ✓ _Backed by Legislation_
- ✓ _Create Awareness_

Infrastructure

Infrastructure

Power

Internet

Transportation

Business Parks

Science /
Technology Parks

Perception

Perception

Expatriates Companies do it better

Project will not be done or done properly by local companies

Finance

Finance

Funding

No Access To Funding

Expensive

Funding Is Expensive

Debt

May Be Owed

The Nigerian Factor

The Nigerian Factor

- It takes a minimum of 2 years to close a deal in Nigeria
- Corruption
- Multiple Taxation
- Piracy

Call To Action

Call To Action

- Retreat/Workshop/Seminar on Local Content
- Incorporate Soft Skills Training into the Curriculum and Program of CPN and Training Institutions
- Build and Equip More Training Institutions
- Move CPN to Ministry of Comms. Tech.
- Encourage Collaboration among Local IT Companies
- Encourage Mergers and Acquisitions
- Create and Maintain Database of Practitioners

- Create and Maintain Database of Local IT Companies
- Work Closely with Government/ Monitoring Institutions
- Create Special Fund for Local IT Companies
- Constant Review of Policies
- Create a Workable Model for IT in Nigeria
- Fund Research and Coordinate Research Outputs
- Create Awareness
- POLITICS

Call-to-Action

Thank You.