

# ExchangeAsia

Volume 16 Issue 39

ISSN 1320 – 2669

12 October 2008

## India

### **Tata Consultancy to acquire Citigroup Global Services**

Tata Consultancy Services is to acquire Citi Group's interest in Citigroup Global Services for approximately \$US505 million in cash.

### **Reliance Globalcom restructures to challenge major global telcos**

Reliance Globalcom has restructured its operations under four core business segments: data, voice, WiMax and national long distance.

### **Larsen & Toubro Infotech partners with Astea**

## Samoa & American Samoa

### **Samoans one step closer to broadband**

The Government of American Samoa has endorsed funding for a submarine cable that will give it, and Samoa, connection to the rest of the world, at a bargain price.

## China

### **New head for Beijing branch of US IT trade office**

### **China's mobile leaders to speak at Mobile Asia Congress**

## Bangladesh

### **Nokia Siemens to upgrade Teletalk mobile network**

## Thailand

### **Thaicom claims 11 new contracts**

## New Zealand

### **Telecom NZ shareholders send the board a wake-up call**

The two independent directors put forward for election to the Telecom NZ board by US hedge fund Elliott International scored almost 25 percent of votes.

### **Uptake of Ipstar satellite broadband surges**

## Hong Kong

### **Hutchison taps NeuStar to integrate mobile instant messaging services**

## Technology

### **Push for inter-mobile network enhanced features gathers momentum**

The global GSM Association is backing an initiative to develop a suite of enhanced IMS based features that can operate across a wide range of handsets and networks.

### **Nortel names more WiMAX partners**

## Pan Asia

### **Survey identifies key IT recruitment issues**

### **BT absorbs Frontline, names new SE Asian execs**

### **Convergys acquires Ceon**

## India

### **Tata Consultancy to acquire Citigroup Global Services**

***Tata Consultancy Services (TCS) is to acquire Citi Group's interest in Citigroup Global Services (CGS), the India-based business processing outsourcing arm of Citi Group, for approximately \$US505 million in cash.***

Separately Citi Group has contracted TCS, through CGS, to provide process outsourcing services to Citi and its affiliates under a contract worth \$US2.5 billion over 9.5 years. The agreement builds on the existing relationship between Citi and TCS under which TCS provides application development, infrastructure support, help desk and other process outsourcing services to Citi.

TCS says the acquisition would broaden its portfolio of end-to-end IT and BPO services in the global banking and financial services sector.

CGS is one of the largest providers of business processing outsourcing services in the banking and financial services sector. It provides end-to-end process management across the spectrum and a broad array of services to Citi's consumer, corporate and global wealth management businesses worldwide. It has more than 12,000 employees in India and expects to generate revenues of approximately \$US278 million in 2008.

N Chandrasekaran, COO and executive director of TCS, said: "The acquisition of CGS has two immediate strategic benefits for TCS. It gives us the ability to offer a comprehensive end-to-end, domain-led solution for business operations of large financial services institutions. It also positions us well to create banking processing platforms by integrating our products and process capabilities."

TCS has provided IT services to Citi Group since 1992 and is currently one of the largest IT services partners for Citi Group delivering IT and business processing outsourcing services across its operations in North America, Europe, India, Japan, Singapore and the rest of Asia Pacific.

### **Reliance Globalcom restructures to challenge major global telcos**

***Reliance Globalcom has restructured its operations under four core business segments: data, voice, WiMax and national long distance.***

The company says it will provide "seamless, platform independent solutions to its customers by leveraging its expertise in the areas of managed services, global voice solutions and WiMax."

It intends to compete with AT&T, BT Global Services, Orange Business Services and Verizon Business in the provision of data services to major multinationals.

"Reliance Globalcom is now poised for strong exponential growth," said Mr Punit Garg, president and CEO, Reliance Globalcom. "This consolidation will augment our capabilities to offer highly customer-focused solutions to end consumers and businesses (including enterprises, systems integrators, and carriers) around the globe. This is an important step towards making Reliance Globalcom one of the top five global communications enterprises."

Reliance Globalcom claims to be in a unique position thanks to its ownership of the former Flag Telecom submarine cable network, the former Yipes Enterprises and the former Vanco virtual network operator. It also recently acquired eWave World, a pioneer in the global WiMAX space which it claims gives it the capability to launch 4G services in over 50 countries.

The company claims to offer "a flexible combination of services to support the needs of multinational clients through low latency connectivity into developed and

developing markets, global ethernet VPLS spanning key metros and relationships with over 750 carrier partners providing dense local multiple-technology access in every country in the world."

It hopes the new structure will accelerate its growth into the rapidly growing \$US285 billion communications market by providing comprehensive voice, video and data network services on an integrated and highly scalable platform. It also claims to have a well-established and robust global service delivery platform that connects developed markets to hard-to-reach developing markets in the Middle East, South East Asia, China and India.

Reliance Globalcom owns the world's largest private undersea cable system spanning 65,000 kms seamlessly integrated with Reliance Communications over 110,000 kms of domestic optic fibre provides a global service delivery platform connecting 40 key business markets in India, the Middle East, Asia, Europe and the US.

With its recent acquisition of eWave World, a pioneer in the global WiMAX space, Reliance Globalcom claims to have the capability to launch 4G services in over 50 countries.

It has also acquired Vanco Group, enabling the company to provide managed services to over 230 countries across the globe. For further information, please visit [www.relianceglobalcom.com](http://www.relianceglobalcom.com).

- **New head for Indian long distance business**

Reliance Globalcom has named Mandeep Bhatia as the business head of its National Long Distance business. He joins Reliance Globalcom from Bharti Airtel where he led the consumer mobile business as COO - Mumbai, Maharashtra and Goa. In his new role he will report to Mr Punit Garg, president & CEO Reliance Globalcom.

He will be responsible for expanding the current business comprising of a suite of voice & data products & services. Reliance claims to have the largest fully-IP enabled optic fibre backbone in India spanning 110,000kms with close to 1275 PoIs offering services in 20,000 towns and half a million villages and seamlessly integrated with the former Flag undersea cable system.

## **Larsen & Toubro Infotech partners with Astea**

***Larsen & Toubro Infotech, a global IT services and solutions provider has signed a partner agreement with service lifecycle management and mobility solutions provider, Astea International.***

L&T Infotech is a wholly-owned subsidiary of the \$US7 billion Indian technology, engineering, manufacturing and construction conglomerate Larsen & Toubro. It claims the partnership combines its "deep IT services expertise and system integration experience with Astea's global service management and mobility solutions."

L&T Infotech says it will offer added value to Astea's service management and mobility software implementations by providing global IT application expertise to streamline and accelerate large-scale implementations and also by extending Astea's customer support capabilities.

As the relationship progresses, L&T Infotech says it may also become a value-added reseller to further expand both Astea's and L&T Infotech's global footprint.

Mr Sudip Banerjee, CEO of L&T Infotech, said "We are already actively working together on a large enterprise global deployment of their solution. There is a high level of synergy and complementary capabilities between Astea and L&T Infotech, and we see a lot of opportunity for continued success and expansion for both the organisations."

## Samoa & American Samoa

### Samoans one step closer to broadband

***The Government of American Samoa has endorsed the funding for a submarine cable network that will give it, and Samoa, a submarine fibre connection to the rest of the world, at a bargain basement price.***

The new link will provide around 280,000 people on the two Samoas (65,000 in American Samoa and 215,000 in Samoa) with a total Internet access capacity of 1Gbps - a huge improvement on the 20Mbps via satellite presently available; and the cost per MB per month will fall from around \$US4000 to \$US1500.

The planned cable system will connect Samoa to American Samoa and then to Hawaii where it will connect to global submarine networks. It will be created by retrieving the now defunct PacRim East cable that connects New Zealand to Hawaii, reconnecting it into American Samoa and relaying a section of it between the two Samoas. PacRim East has been made redundant by the much greater capacity available on Southern Cross.

The cables are of huge significance to the two Samoas. The governor of American Samoa, Togiola Tulafono, said in May that it was "the most significant economic development project for American Samoa in the last several decades."

He said the additional capacity would allow development of industries, tele-medicine and distant learning, previously limited by the cost and availability of satellite capacity. According to Tulafono, "With this new initiative, we will move from a labour intensive manufacturing industry into a technology-driven industry."

However the Democrat governor - who will be up for re-election at the same time as the US presidential election in November - has been facing opposition from Republican members of the Fono, the legislative assembly, and needed to get the final \$US3m of American Samoa's \$US9 million contribution to the project approved in the FY2009 budget ahead of the start of the financial year, October 1.

House Budget and Appropriations Committee chair. Republican Laolagi Vaeao. had accused the administration of failing to submit information requested by the house on a number of issues, including the fibre optic cable project. However at the eleventh hour problems were resolved and the \$US3.0m allocation made it into the budget.

Pre-sales of capacity on the cables already exceed the satellite capacity currently available. American Samoan telcos have purchased four DS3s (180Mbps) and those in Samoa two DS3, giving a total of 270Mbps. At present total capacity into each of the Samoas is less than one DS3 (45Mbps).

The project is expected to cost around \$US20 million, 20 percent of the cost of completely new system (estimated to be at least \$US100m to connect American Samoa to Hawaii and another \$10m to connect in Samoa).

It mirrors a re-use in 2007 of the PacRim West cable to provide a fibre optic link between Sydney and Port Moresby. About 2000kms of the PacRim West cable which ran between Australia and Guam was re-laid between Sydney and PNG. At the time PNG relied on satellite and a 1Mbps co-axial cable, the world's then oldest still in operation.

Substantial progress has already been made on the American Samoa-Hawaii (ASH) cable and the Samoa-American Samoa (SAS) cable. The deepwater marine survey has been completed and terminal equipment delivered to Pago Pago, the capital of American Samoa in preparation for the planned landfall there. From Pago Pago another section of the cable will be run 150km on the seabed to Apia in Samoa.

Recovery and re-laying of the cable is expected to start in late December when seas are calmer. Alcatel-Lucent has been awarded a contract to undertake the project. It is expected to be completed and the cable ready for service by March 2009.

According to the CIA's World Fact Book, the private sector of the economy of American Samoa is heavily dependent on tuna fishing and tuna processing, with canned tuna the primary export and attempts by the government to develop a larger and broader economy have been restrained by Samoa's remote location, its limited transportation and its devastating hurricanes.

However it says that tourism is a promising developing sector. With low latency submarine cable connectivity, American Samoa has the potential to be a very acceptable offshore call centre location for American companies. This is not possible with satellite links where the delay limits the effectiveness of a remote call centre.

Of Samoa, the CIA says that the economy has traditionally been dependent on development aid, family remittances from overseas, agriculture, and fishing. Agriculture employs two-thirds of the labour force and furnishes 90 percent of exports, primarily coconut cream, coconut oil and copra whilst the manufacturing sector mainly processes agricultural products.

One factory in the Foreign Trade Zone employs 3,000 people to make automobile electrical harnesses for an assembly plant in Australia and tourism is an expanding sector, accounting for 25 percent of GDP; 116,000 tourists visited the islands in 2006.

## China

### **New head for Beijing branch of US IT trade office**

***Dr John C Chiang as been appointed president and managing director of the United States Information Technology Office (USITO) in Beijing.***

The Telecommunications Industry Association (TIA), one of five parent associations of USITO, has welcomed his appointment with TIA President Grant Seiffert. saying "John is a deeply experienced ICT professional who understands the challenges and opportunities facing global ICT companies investing in China. He will be a great leader for USITO.

Chiang has nearly 30 years experience in the ICT industry, including work in the United States, Taiwan and China. A former president of Motorola (China) Technologies, Chiang has most recently been a partner at Dragon Bridge Capital where he advised promising Chinese companies in growing into world class enterprises, and formulating and executing China strategies for multinationals in China.

He is currently a visiting professor at the Department of Management and Technology, Peking University, where he has taught courses on innovation, technology management and international business.

USITO was established in 1994 with the primary goal of assisting US high-tech companies to access and further open the Chinese market for information and communications technology (ICT)-related products and services.

### **China's mobile leaders to speak at Mobile Asia Congress**

***The GSMA Association is billing the 2008 edition of its Mobile Asia Congress as "the first event ever to bring together the leaders of China Mobile and China Unicom - two of the largest telecoms companies in the world's most populous country."***

Wang Jianzhou, chairman and CEO of China Mobile; Chang Xiaobing, chairman of China Unicom; Lu Xiangdong, vice president, China Mobile and Guo Ping, EVP Huawei & president of Huawei Terminals Business Group, will be among the keynote speakers at the Mobile Asia Congress in Macau on November 18-20.

Mr Wang will give a keynote speech on sustainable growth, while Mr Chang will speak on the future outlook of the mobile industry in China.

"Featuring several of the most senior executives in China's mobile market, the Mobile Asia Congress will play a key role in setting the industry's agenda for 2009," said Craig Ehrlich, chairman of the GSMA.

"The Congress will also bring China's mobile leaders together with their counterparts from India, Korea, Japan and other Asian countries, enabling them to exchange valuable insights into the future of this fast-changing industry."

"Sustainability will be a key topic for Macau," said Wang Jianzhou. "It is vital that the mobile industry, which has transformed communications across much of China, plays a major role in ensuring the future health of the environment."

## Bangladesh

### **Nokia Siemens to upgrade Teletalk mobile network**

***State-owned mobile network operator, Teletalk Bangladesh has contracted Nokia Siemens Networks to double its subscriber capacity, enhance network coverage and provide advanced wireless services.***

Nokia Siemens Networks will modernise Teletalk's core network, supplying mobile softswitching, packet core, and home location register.

According to Nokia Siemens, "The Release 4 architecture of the MSC Server softswitching will enable Teletalk to accelerate the deployment of new, converged wireless services, while optimising costs. This marks the first supply deal in Bangladesh for the Nokia Siemens Networks' mobile softswitching."

Nokia Siemens will also deploy base stations to build additional network capacity on Teletalk's GSM network, particularly in Dhaka, and roll out its network and service management solution, NetAct to improve network operational efficiency.

Teletalk Bangladesh was incorporated in December 2004 as the only government-sponsored and 100 percent government-owned mobile telephone company. It was the first mobile operator to provide coverage of Bangladesh's three hill districts: Rangamati, Bandarban and Khagrachori.

## Thailand

### **Thaicom claims 11 new contracts**

***Satellite operator, Thaicom, says it signed deals with 11 new regional channels worth \$US18 million in the three months to 30 September 2008.***

These include transponder leasing contracts and video broadcasting service contracts. Since the beginning of 2008 Thaicom says it has been awarded 25 transponder leasing contracts with a total contract value of \$US47 million

The eleven new television channels include: MVTV, Real Metro, KCS (Cambodia), SSD Media Infotainment, Multiple News Agency, Unistar, and Bohigram. All these are using the Thaicom teleport and direct to home broadcasting centre AT Ladloomkaew District, Pathumthani Province, Thailand.

Thaicom, founded in November 1991, claims to have customers throughout Asia, Africa, Europe and Australia. It operates four geostationary satellites.

## New Zealand

### **Telecom NZ shareholders send the board a wake-up call**

***The two independent directors put forward for election to the Telecom NZ board by US hedge fund Elliott International, a mere three percent shareholder, scored almost 25 percent of votes.***

Elliott has been unhappy with the Telecom NZ's performance for well over a year and has pushing for a major shake-up of the company including possible structural separation.

Elliott International is a division of Elliott Associates, founded in 1977 by, and still run by, Paul Singer. It, and he, have a reputation as "activist investors". According to a 2005 profile in IFR magazine: "Elliott Associates is an unusual hedge fund. Its preference for process-driven situations and willingness to dig into its own pockets to fight for investor rights make it stand out from the crowd."

Telecom NZ chairman, Wayne Boyd, responded to the vote by acknowledging the level of shareholder discontent saying: "We do understand many of you are frustrated with the performance of the share price. We share your frustration. But we are confident that we have the right board, management team and strategies in place to turn Telecom around and deliver you shareholder value."

He blamed the decline in core earning on "the impact of regulation and the new competition on our traditionally high retail market share and margins," and sad that "net earnings are falling steeply, reflecting accelerated depreciation as we enter the first phase of the transformation programme."

Commenting on Elliott's push for structural separation he said: "We ourselves considered structural separation 18 months ago. However after extensive investigation, operational separation was considered the preferred separation model by the industry and the government. We are now fully committed to operational separation in conjunction with our transformation programme, and believe it will deliver the best return for our shareholders."

He added: "While we recognise the significant time and effort that Elliott has gone to in evaluating the potential benefits of structural separation, the feedback we have received from a large majority of shareholders is consistent with our own belief, and that of the wider industry and the regulator, that now is not the right time to revisit this option."

He also rejected Elliott's push to have shareholders increase the size of the board by appointing its two candidates in addition to board nominees, saying: "We consider the current size of our board is appropriate, as it functions well and has sufficient diversity without being cumbersome."

### **Uptake of Ipstar satellite broadband surges**

***Thaicom, the operator of the Ipstar satellite broadband system, has announced a "significant increase" in Ipstar user terminal sales in New Zealand.***

The growth follows the launch of the new retail broadband package, 'Rocket Broadband' by its partner, BayCity Communications.

Rocket Broadband, launched in June 2008, comprises four monthly plans starting with the 'Endeavour Plan' at \$NZ49.95 per month (\$US31.70) inclusive of monthly service fee and user terminal rental. "This aggressive price point is similar to DSL offerings in the market," according to Thaicom.

Mr Patompob Suwansiri, head of marketing-Ipstar of Thaicom, said the package had helped Ipstar achieve year-on-year subscriber growth of 228 percent in New Zealand.

Thaicom says it wants to increase consumer uptake through productisation of the generic Ipstar satellite broadband service and the creation of a strong retail brand that can be promoted and recognised across its target market segments. In August, BayCity launched a new value-added service, 'Voice Link', at an additional \$NZ49.95 per month providing unlimited voice calls nationwide and to over 40 countries.

Duncan Boennic, general manager of BayCity, claimed that "Our traditional customer base of rural New Zealand has found the simplicity of Rocket very compelling. The creation of Rocket as a strong retail brand has enabled us to use a cost effective marketing campaign to attract new customers and help up-sell our existing customers to faster plans and new services such as the Voice Link phone service.

"Rocket Broadband has transformed the market for rural broadband in New Zealand and driven satellite broadband sales for Farmside to a new level."

## Hong Kong

### **Hutchison taps NeuStar to integrate mobile IM services**

***3G network operator, Hutchison Telecom Hong Kong, has tapped NeuStar to create a messaging service that gives access to Windows Live Messenger, Yahoo! Messenger and 3 Community from one mobile phone application.***

The integrated software client is available as a free download on the company's mobile portal, Planet 3, (<http://mobile.three.com.hk/>) for most popular mobile phones on the market. Hutchison previously worked with NeuStar to launch 3 Hong Kong's mobile instant message services.

"The success we have experienced with mobile instant messaging to date has encouraged us to develop new services and better ways to integrate messaging into people's lives," said Amy Lung, COO mobile at Hutchison Telecom Hong Kong.

"NeuStar has been our trusted partner of choice in delivering simple and effective new messaging services to our customers. The ability to customise several messaging platforms offers users a memorable and personal application that we believe will be hugely popular."

NeuStar is a provider of clearinghouse and directory services to the global communications and Internet industry. In November 2006, it created its next generation messaging services by acquiring Followap, a global provider of instant messaging, presence and interconnect services.

## Technology

### **Push for inter-mobile network features gathers momentum**

***An initiative launched by a group of nine mobile operators and vendors in February to develop a suite of enhanced IMS based features that can be supported on a wide range of mobile handsets and across networks is gathering momentum with the global GSM Association committing to it.***

The Rich Communication Suite (RCS) initiative was launched in February by Orange, Telecom Italia, Telefónica, TeliaSonera, Ericsson, Nokia Siemens Networks, Nokia, Sony Ericsson and Samsung and billed as "a joint effort to facilitate the evolution of mobile communication towards rich communication."

The services included in RCS are:

- Enhanced Phonebook, with service capabilities and presence enhanced contacts information;
- Enhanced Messaging, which enables a large variety of messaging options including chat and messaging history;
- Enriched Call, which enables multimedia content sharing during a voice call.

An Ericsson white paper on RCS identifies a number of user and operator benefits flowing from these services, including:

- "Today the user needs to know which messaging platform their friends use (MSN, Skype etc) and connect to them with the user credentials (eg, name email) used by that application. The RCS Initiative enables messaging just based on phone number information, which is already stored on the users Phonebook and makes connecting to friends easy no matter which operators these friends have a subscription with.
- "The RCS strengthens the existing operator business model by answering the customer demand for personalisation and self-expression through new means of communication. This enables the operator to maintain ARPU levels and subscriber loyalty by introducing a better service experience for the same price."

The participants in the RCS initiative agreed a set of features and a set of implementation guidelines with the intention of having these services available between different mobile networks before the end of 2008.

According to the Ericsson white paper, the RCS Initiative does not specify user interface or device implementation nor does it intend to create new standards, but rather to specify a core feature set that can be implemented using existing standards already defined by other fora. "Should the experiences of the interoperability tests identify the need for further standardisation or corrections to the existing standards, then these facts will be documented and communicated to the associated standards organisations," the white paper says.

### **RCS a catalyst to help IMS uptake**

The group also hoped that it would catalyse the uptake of IMS. Michael Clever, head of next generation voice and multimedia at Nokia Siemens Networks, said: "IMS is a pivotal technology for advancing communications to a new and enriched level of converged multimedia services. The RCS initiative is the catalyst to help IMS take-off with cross-network interoperability from day one.

At the time of their February announcement the members of the RCS initiative claimed to have already validated the underlying requirements and technical specifications for service interoperability and to have conducted interoperability testing in multivendor environments to ensure and verify the maturity of the RCS feature set.

Since its launch, support for the RCS initiative has grown to over 30 operators and vendors (including Telstra). In September, the GSMA - which represents more than 750 GSM mobile phone operators across 218 countries and territories and which claims the support of some 200 manufacturers and suppliers - announced that it had added the RCS Initiative to its work programme.

The GSMA said the first interoperable RCS services would be launched in mid 2009 and claimed that its backing for the RCS Initiative would bring a number of benefits to its continued development. "Using [GSMA's] long experience of running similar projects with participation from a mix of operators and equipment suppliers, the GSMA is well-placed to develop and provide a stable and proven framework for the definition of business models, interworking guidelines and technical reference implementation," it claimed.

Further integration testing was undertaken in Helsinki at the end of September hosted by TeliaSonera and GSMA has promised that a full update on the progress of the initiative, supported with live demonstrations, will be given at the GSMA's Mobile Asia Congress in Macau in November 2008.

In addition to its founders, the RCS initiative now includes Alcatel-Lucent, Bouygues Telecom, Emobile, Huawei, KDDI, LG Electronics, NEC, NTT, NTT DoCoMo, Motorola, SFR, SK Telecom, Softbank Mobile, Swisscom, Telstra, Telenor, TMN and Toshiba. However Vodafone, which has networks in more countries than any other, is not a member. Neither is 3.

## **Nortel names more WiMAX partners**

***Nortel has broadened the scope of its WiMAX offerings through partnerships with several vendors to "encompass more innovative applications, unique features and a variety of devices that network operators can offer to businesses and consumers in underserved broadband markets."***

These follow its agreement with Alvarion announced in June. Nortel is leveraging its existing alliance with IBM to deliver unified communications capabilities for Lotus Notes users over mobile WiMAX networks.

It is also launching the 'VoIP to the MAX' campaign, billed as "an end-to-end, fully-integrated and cost-effective carrier VoIP and WiMAX offering that enables service providers to offer advanced IP voice and multimedia services while de-risking their technology deployment, achieving faster time to market and unlocking new revenue opportunities." The offering consists of Nortel's mobile WiMAX portfolio and Adaptive Application Engine (A2E) multimedia server software.

The WiChorus Home Agent provides operators with subscriber and content management and network optimisation capabilities and Nortel is working with Quanta Computer and Accton Wireless Broadband in Taiwan to deliver Nortel-branded 802.16e devices including PCMCIA cards, USB adaptors, indoor gateways, window mount antennas and outdoor gateways working in the 2.3, 2.5 and 3.5GHz bands.

## **Nokia Siemens details WiMAX plans**

***Nokia Siemens Networks says it is working toward manufacturing and deployment goals for year-end 2008 and 2009 launches for its mobile WiMAX infrastructure products.***

It adds that WiMAX Forum certification processes are underway for both the 2.5GHz and 3.5GHz profiles of its Flexi WiMAX base station. The company claims to have performed interoperability testing with a significant number of major terminal and chipset vendors for 2.5GHz and also to be testing with 3.5GHz terminals.

## **Pan Asia**

### **Survey identifies key IT recruitment issues**

***Global recruitment company, Kelly Services, has released its first IT Skills Study in Asia Pacific, claimed to provide insights into the most significant IT talent issues and methods adopted to address these issues.***

Kelly says the web-based study "explored the critical skills needs and skills shortages in the IT workforce as well as the attraction and retention strategies and tactics undertaken by organisations to ensure a high-performance IT workforce," and "found that the lack of IT professionals with relevant skills is having a negative impact on organisation's ability to serve clients and customers.

Respondents were senior IT decision makers and hiring managers in 440 medium and large national or multinational organisations. Almost 80 percent of them described the adverse effect on their business as moderate to severe.

According to the study, 42 percent of respondents cite the lack of experience amongst the current IT workforce as the driver behind the shortage of qualified IT talent. This was followed by the unpreparedness of new IT staff to meet the business needs and the organisation's lack of ability to train and develop staff.

According to Dharendra Shantilal, senior vice president - Asia Pacific of Kelly Services, "Changing demographic profiles, globalisation and innovation in technology open up new opportunities and put a greater focus on jobs which require specialised IT skills while making existing ones obsolete."

He added: "In Australia and many countries in Asia Pacific, there is rapid innovation in technology. In addition, the IT job market has been very active in the past two to three years due to the setting up of IT hubs and regional shared services centres which see a boost in the demand for experienced IT professionals and teams to manage and support these operations."

The study also showed that there is significant overlap between the technical skills considered most critical within an organisation and the technical skills cited as the shortest in supply. Technical skills include applications development and integration, data management, enterprise systems integration and customisation, and customer relationship management. Non-technical skills include communication, creative thinking, problem solving and decision making, and initiative and enterprise.

"Apart from good academic qualifications and experience, business or soft skills are just as important for IT professionals in order to succeed in their job," said Shantilal.

### **BT absorbs Frontline, names new SE Asian execs**

***BT has appointed Steve Ting as chairman of its Southeast Asian (SEA) operations and Lim, Chin Hu as CEO.***

Before joining BT Ting was group founder and executive chairman of BT Frontline and before that held several management positions in HP Singapore and Mentor Graphics. Lim was president and CEO of BT Frontline. Before that he was managing director of Sun Microsystems Singapore and corporate director, partners & channels for Sun Asia Pacific.

BT Frontline was formerly Frontline Technologies, acquired by BT in March 2008. BT is now integrating about 700 people from wholly-owned operations in Singapore, Malaysia and Dalian, China into its Southeast Asian operations with a completion target of early 2009. In India and in China it has initiated a collaboration programme between BT India and Accel Frontline, and also with MDCL Frontline China and BT China.

### **Convergys acquires Ceon**

***BSS/OSS developer Convergys has acquired Ceon Corporation, a developer of product lifecycle management and multiplay fulfilment software for communications service providers.***

Convergys says that Ceon's capabilities, delivered as Convergys enterprise product management solutions, will enable its clients to more effectively manage their entire product lifecycle across all network domains, shortening time to market for new convergent offers, improving quality and reducing the costs associated with managing a large product portfolio.

According to Bob Lento, president of information management for Convergys. "Ceon's product management assets are at the heart of our strategy to help our clients more effectively manage new and advanced value-added services, introduce these services quickly, and evolve these new offers at market speed."