



Résumé

Engaging people

Global Technology and Telecoms Recruitment

CEO WELCOME by Craig Coverman

We're living in unusual times.

Stock markets plummeting, global credit crisis, bubbles bursting across the planet, wheels coming off entire economies. Add to that any other clichés that you can possibly think of.

But then I don't have to tell you all of that – we're bombarded on a daily basis with bad news from across the planet.



That said, 2008 was a great year for Eutopia. Our turnover grew by 35%, we doubled our headcount, officially launched our Executive Search practice, established our new permanent base in Dubai (see page 3) and took on many of our much larger global competitors – and beat them in their own backyards. Much more importantly, we worked extremely hard on behalf of our clients – consulting with them to ensure their talent acquisition programmes were fit for purpose – and placing over 400 Executives and Specialists in 40 countries across the planet. All-in-all, 2008 was a year to be proud of for the firm.

However that was last year – and guess what – we're suddenly living in a different world.

2009 holds significant challenges for many organisations – and, yet, significant opportunities too.

It is with the latter in mind that we're approaching 2009 – and how we're encouraging our clients to view the talent markets (see page 2-3). There are real opportunities out there for the savvy organisation to acquire talent possibly not previously available to them – and Eutopia is working tirelessly to make sure our clients benefit from this opportunity.

We are launching our Gulf Telecoms Leaders Club at MECOM in May in Abu Dhabi (see page 3). We're continuing the investment we started last year in our Global Research Team, our Search Practice and our Technology Recruitment Division. We're also adding a new business model Resource Partnering™ – focusing on the managed delivery of entire staffing projects for implementations, new launches as well as for specific headcount increases (see page 4). We're extremely excited about this offering – and look forward to presenting it to you all in the coming months – as we believe it truly can transform entire organisations.

So – enjoy our first half 2009 Résumé. Given the range of clients we talk to across the planet, we really are in the enviable position of getting an insight across the whole of the global talent market.

TELECOMS MARKETS 2009

Survival of the Fittest: tackling the challenges of intense competition, market maturation and the global financial crisis.

*By Joe Willcox, Principal Consultant,
Eutopia Executive Search*

You may expect this to make depressing reading given this period of global financial turmoil we are all living through – and whilst we do want to be realistic about the scale of the challenges ahead, this will not involve pessimistic doom-mongering.

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Having gazed into our crystal ball, we believe that there will be a number of losers in the wake of the damage done to the global economy. We are also sure that there will be winners because alongside all the difficulties the telecoms sector is set to face, new opportunities will be presented to operators and their technology suppliers. The organisations which can most effectively differentiate their services and further develop their brands will be able to retain existing custom and win new business.

Mobile subscriber growth to remain steady in Africa, the Middle East and Asia-Pac

Over the period December 2007 to December 2008 the number of worldwide mobile subscriptions moved from around 3.31 billion to 3.97 billion – very nearly a 20% growth rate. Industry watchers' current predictions seem to settle around 4.56 billion subscriptions for December 2009 – nearer a 15% rise year-on-year. Globally, then, subscriber growth is expected to slow down somewhat – but this is nothing like as gloomy a prognosis as for other industrial sectors. Perhaps not surprisingly, this level of subscription growth will not be enjoyed by cellcos in highly mature markets such as Western Europe and North America, where net adds will only grow the subscriber base by less than 6%. Operators active in the Middle East and Africa will do much better, with subscriber growth of 17% predicted across these regions. In terms of subscriptions, the Chinese market is also expected to grow by around 18%. Some Asia-Pac markets will massively outperform even that level of growth – expect the subscriber base to grow by around 29% in Bangladesh and by over 36% in India.

Emerging markets M&A lively in 2009

The number of new mobile licences made available in 2009 may be quite restricted. Governments could well assume that the limited availability of credit will depress the prices they can charge for licences and spectrum, leading them to prefer to wait for a return more favourable conditions for auctions. We feel, however, that the global economic downturn will provide some operators with other good opportunities to acquire further assets in emerging markets. Telcos based in the Gulf region are hotly tipped to grow further through the acquisition of new licences and existing operations. Some industry watchers also predict that this will be the year in which major players from India and China will finally realise long-held ambitions to grow significantly beyond their home markets. India's market-leading

MNO faces intense domestic competition and frustrating delays with its 3G launch. International expansion may now be an urgent priority.

Despite trauma on the Moscow stock exchange, we may also see Russian operators further expanding their footprints beyond their natural CIS territory. The Russian market, while large, has a mobile penetration rate of over 100%. This may compel at least two of the country's giant cellcos to look further afield for growth opportunities.

Despite trauma on the Moscow stock exchange, we may also see Russian operators further expanding their footprints beyond their natural CIS territory. The Russian market, while large, has a mobile penetration rate of over 100%. This may compel at least two of the country's giant cellcos to look further afield for growth opportunities. In July 2008, Vimpelcom acquired a 90% stake in a Cambodian MNO and a smaller stake in a green field operation in Vietnam. Rival MTS has yet to make a move outside the CIS, but the company's lead share holder, Sistema, has acquired a controlling interest in Indian start-up Sistema Shyam Telelink. Officially at least, MTS is waiting to see how the dust settles after the current phase of the economic downturn before making any additional expansion decisions.

Overall, expect to see some consolidation in 2009, especially in emerging markets, with a firm line of delineation between cash-rich operators and those which are highly leveraged, which may have the will but not the means.

Mobile broadband set to grow strongly

While the Middle East region will suffer the effects of the global economic crisis, industry watchers continue to predict a considerable increase in data revenues, with mobile broadband rising in popularity. In Russia, extensive WCDMA deployments will create much higher levels of data traffic and should result in good ARPU growth.

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Focusing on efficiency

While markets such as India and Nigeria offer excellent potential for subscription growth in 2009, this will mean huge network investments, including growing coverage and capacity in hard-to-serve rural areas and challenging physical geography. Operators will need to manage OPEX carefully, which is predicted to give a boost to outsourcing and network sharing projects.

Being fully prepared to compete

In summary, we believe that operators that focus on operational efficiency and effective service differentiation can continue to do well in very challenging market conditions. Emerging markets-focused mobile players may also grow by identifying and grabbing the most attractive acquisition targets, by cost-effectively extending the availability of services to rural subscribers and fully leveraging the lack of legacy wireline infrastructure in the markets they serve. Our view is that the telecoms landscape worldwide will change somewhat over the course of this challenging year ahead. By December, then, there may be fewer players vying for a share of the action in emerging markets. However, we expect the most competitive operators to grow by ensuring that their organisations have the right people and the right strategies in place to navigate the many challenges and maximise the numerous rich opportunities created by the economic climate in which we now live.

NEW DUBAI OFFICE

We are delighted to announce that Eutopia's Dubai office is now formally open for business - and making waves in Gulf telecoms HR consulting and staffing circles.

The decision to continue our international expansion was made at the beginning of 2008, following clear demand from our clients in the region. Working closely with the Senior Management team at DSO, we were awarded a dual technology & telecoms recruitment and consulting licence – allowing us full scope to assist our clients in meeting their business objectives in the future.

Based out of Dubai's Silicon Oasis, Eutopia has established itself in this new state-of-the-art office complex, close to Dubai's central business district. Situated in this expanding technology community has its advantages – with high tech and telecoms companies setting up galore. For our clients, we are able to extend the high quality interviewing and meeting facilities available at our Gulf HQ – and for our staff, a reverse commute and an in-house Costa Coffee!

Towards the end of last year, we relocated two of our most experienced Directors, David Voice and Darren Franks, to oversee the new operation. The office now boasts a staff complement of some 15+ with further growth set to occur across 2009.

This new office cements our position as the premier telecoms & technology staffing company in the region.

For more information contact Darren Franks, Sales Director
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Silicon Oasis, Eutopia's new office in Dubai.

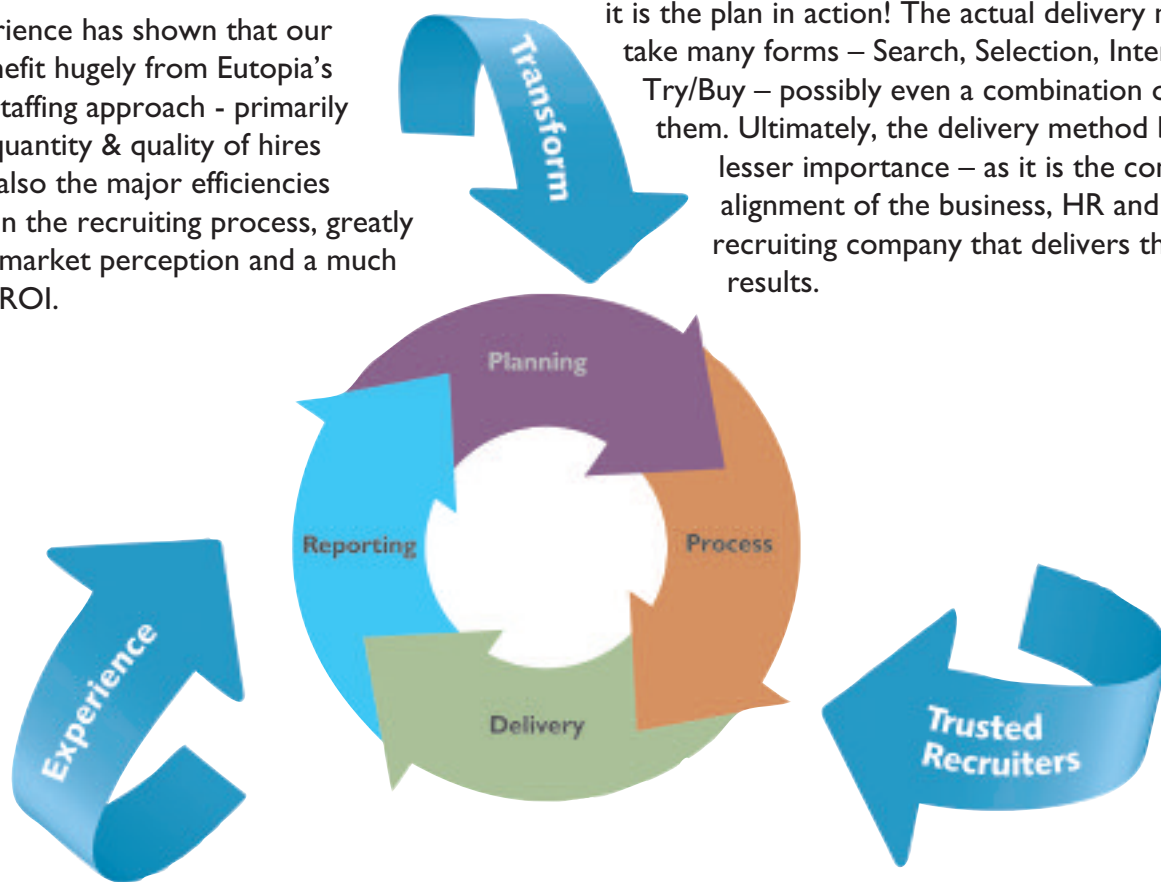


RESOURCE PARTNERING™

Eutopia's Resource Partnering™ is our innovative new staffing service, aimed at companies and organisations looking to embark on launch projects or business & technology implementations – or simply to staff for expansion. Resource Partnering™ fits any scenario where it is critical for the business to acquire high calibre staff in a timely manner.

Resource Partnering™ itself was borne out of a formalisation of our Managed Project methodology – based on real client demand for this service. This innovation reflects the nature of the relationships we enjoy with our clients - operating at the more strategic end of our client's organisation and able to influence direction for talent acquisition and staffing projects.

Our experience has shown that our clients benefit hugely from Eutopia's managed staffing approach - primarily from the quantity & quality of hires made but also the major efficiencies delivered in the recruiting process, greatly improved market perception and a much improved ROI.



Additionally, many clients find huge transformational effects in running an Resource Partnering™ project – seeing what can be possible from a slick, targeted and closely and well managed recruitment campaign.

Resource Partnering™ is based on a 5 step methodology, an iterative process that not only delivers highly effective recruitment results but also improves and transforms the recruitment function and processes within every client that undertakes such a project.

Step 1 is a Process Review – leading to an agreed Recruitment Process for the campaign – the first

chance to see the transformational effects of such an approach.

Step 2 is Project Planning – the output being an agreed Project Plan for that campaign. In an Resource Partnering™ project, absolute commitment is essential from both sides - to avoid diluting the results we are all striving for.

Step 3 is Project Initiation. With a Resource Partnering™ programme, this will involve the implantation of a Eutopia Project Manager on the client site, either full or part-time during the campaign. The Project Manager's role is to ensure the plan is adhered to by both parties – continually moving the project towards a successful outcome.

Step 4 is Project Delivery – pretty self explanatory – it is the plan in action! The actual delivery model may take many forms – Search, Selection, Interim, Try/Buy – possibly even a combination of all of them. Ultimately, the delivery method becomes of lesser importance – as it is the complete alignment of the business, HR and the recruiting company that delivers the powerful results.

Step 5 is Project Sign Off – wrapping up the remaining actions – ensuring the successful on-boarding of the candidates – and gaining the client's approval that delivery is as per the plan.

We would love to present this service to you in person – and the significant benefits it offers and your organisation.

If you are interested to find out more, please contact Craig Coverman, Eutopia CEO, for a copy of our Resource Partnering™ presentation – “Transforming talent acquisition”.

VOICE ON STAFFING IN 2009

David Voice gives his predictions on staffing in the ME & Africa in 2009

The Middle East and Africa has always struggled to consistently attract the volume and calibre of resource required – however, we believe that 2009 could be the year when the pendulum finally swings towards both regions.

As the global credit crisis forces talent onto the global job market, candidates are forced to look further afield. The Middle Eastern and African markets are likely to be highly attractive to candidates in 2009 versus the struggling more mature markets - and we believe the traditional skills shortages should become much less acute this year across both regions.

We also expect to see a raising of the bar in 2009 - with the quality of hiring increasing. In a recent Linked-In survey, almost 20% of companies said they would be hiring selectively this year – spotting opportunities for strengthening their teams and as outstanding candidates came their way. Operators will be focusing their management teams on achieving ARPU targets - and every piece of the organisation will be reviewed to ensure it can meet the demands of an increasingly competitive marketplace. We expect to see a number of significant projects commencing (around improving network coverage, marketing / services and technology) – even with current CAPEX pressures - to ensure quality of service to subscribers and cementing competitive advantage.

Staff turnover may well be affected - with attrition rates likely increasing slightly. That said, equally we expect many good performers to stay put in 2009 and only move unless they have a truly compelling reason. In a recent Linked-In survey, as many as 45% of potential candidates said that this year they would be sitting tight in their current roles due to the market uncertainty – the expression, “better the devil you know” springs to mind. This may result in operators needing to look more at the ex-pat workforce than the local or regional one - as locals stay put – but also as more ex-pats become available from the mature markets.

Generally, 2009 should be a good year for cash rich operators and vendors to cement their leading positions in the region – by attracting the very talent that can truly make their organisations fly.

GULF TELECOMS LEADERS CLUB

24th May 2009 - MECOM - Abu Dhabi

We are delighted to announce the first meeting of the Gulf Telecoms Leaders Club in Abu Dhabi in May. Timed to coincide with the first day of MECOM, Eutopia will be hosting a senior networking lunch at the official residence of the British Ambassador to the UAE – attended by many of the leaders from the region’s telecoms industry. Guest speakers will include the British Ambassador himself – Mr Edward Oakden CMG – plus other high profile industry speakers, giving their own predictions for 2009 and beyond. For further details, do not hesitate to contact Eutopia CEO, Craig Coverman.

COMMUNITY PROJECT



In 2009, Eutopia will again be sponsoring JENGA, a Ugandan based NGO. This small but pioneering charity has one mission – to improve

the quality of life in the poorest of communities. It achieves this by providing the basic essentials of life such as clean water, sanitation, health and education projects to those people most in need – regardless of their faith.

With a local workforce and international volunteer base, it’s making a difference in a very difficult environment. A few of its recent success stories include:

Clean water provided for over 14,000 people in Mbale

Community Health programme – 46 inhabitants of Namatala trained on a five month extensive course in all aspects of community health

School sponsorship for hundreds of local children

Women’s Education programmes – bi-monthly meetings across Namatala covering Malaria, HIV/AIDS, child diseases, home hygiene, family planning and more

Eutopia has long been associated with JENGA, sponsoring a new school, as well as education programmes and rainwater harvesting projects. This year we intend to provide further assistance to a number of key projects identified by JENGA, funding that will directly benefit people that desperately require assistance.

If you would like to know how you too could help, please do not hesitate to contact Eutopia Operations Manager, Diana Bayes, by emailing her at dbayes@eutopiaonline.com Alternatively, log on to www.jengauganda.org/tradingcentre and you have the opportunity to donate online or select gifts to purchase for African families in need.