

Economic Diversification: Challenges & Opportunities



46 Years of Blessed Omani Renaissance



Baby Sam Samuel, GM, InterTech.

Digitizing Diversification

ICT has a major impact on socio-economic relationships among individuals, communities and nations. It creates a new paradigm where old operations can be carried out in a more effective and efficient way.

For over four decades, Oman, the 3rd largest country in the Arabian Peninsula, has relied on hydrocarbon as their main source of export and revenue. The 2014 report by Central Bank of Oman shows 47 per cent of GDP and 84 per cent of government revenue come directly from Oil and Gas.

Since the commercialisation of oil discovery in 1967 till 2014, this particular sector has accelerated high level of economic growth and human development. But on the flipside, this dependency on just one sector has made Oman more vulnerable to global economic transitions. Change in demand of petroleum creates fluctuation in oil prices, which leads to instability in Oman's fiscal revenue, be it during 1976 or 1986, and even today.

To combat with the impacts of oil price volatility, the necessity for diversification of economy has been realized early in the 90s. In the wake of the present day financial crisis, the need for economic diversification is reinforced. Diversification will ensure not just risk reduction but enable sustainable development, by increasing the possibility of employment and GDP growth.

It was with the aim to reduce dependence on hydrocarbon and focus more on non-petroleum based sectors that Vision 2020, a 25 year long-term plan, was released by the Government. The intent is to increase

OVERVIEW

Baby Sam Samuel, General Manager, InterTech LLC, says, "Information Technology is instrumental in engineering economic diversification, which in turn minimizes scope of volatility and amplifies employment. Development of this sector will also facilitate overall growth of other sectors and push Oman to a new age of progress and sustainability."



Shaikh Saif Bin Hashil Al Maskery, Founder and Chairman of Intertech.

contribution from non-oil sector based revenue to at least 60 per cent by the end of 2020, by focusing on:

- Development of Private Sector, especially boost the growth of small and medium scale enterprises
- Development of an information network and promotion of technological awareness in the country
- Training and Development of Human Resource to upgrade national labour force
- Capitalizing on the strategic location of Oman to maximize scope of tourism

- Creating suitable macroeconomic climate for the development of Tradable Production sectors like manufacturing, mining, fisheries and automotive

But diversification is not an easy mechanism. Implementation is often a challenge. Information and Communication Technology (ICT), with its cost effectiveness and multifarious usability, is one of the major drivers of diversification. It has the power to bring about comprehensive transformation



Recognizing the potential of digital media, InterTech is actively striving to expand the exciting world of Social Media Marketing in the Omani stratosphere. Besides digitalization services wherein InterTech helps businesses to get digitized, the recent endeavor is on creation of a mobile and web based application to improvise customer service even further. Through the app, customers will be able to track their service status, delivery timeframe etc. right from their smartphones and computers. A first of its kind, through this app, InterTech aims to manage grievances promptly and enhance customer satisfaction.

COMPETITIVE ADVANTAGE

ICT has a major impact on socio-economic relationships among individuals, communities and nations. It creates a new paradigm where old operations can be carried out in a more effective and efficient way. ICT is process driven and enables faster integration of systems. From the very simple task of data collection to administering organizational change, it capacitates everything.

ICT facilitates sustainability, which is one of the main aims of diversification. A sector can be called sustainable only when everybody including the grass root level has access to it, and is able to integrate it in their day to day living. ICT enables access and integration. As compared to other mediums, ICT has a greater reach in a shorter span of time. You can send chunks of data to anybody anywhere in a split of

a second.

ICT is pervasive, which means that it has endless possibility of use in endless range of locations. This feature particularly helps to break down barriers in the path of human development. Firstly it dissolves barrier to economic growth in terms of segregation; information is available to everybody unbiased of rich, poor, race and culture.

Secondly it breaks down obstacles to



Shaikh Said Al Maskery, MD, Intertech LLC.

communication by providing cost effective mean of information exchange and promoting social participation. Much of the networking in the present age is done through social media. Lastly, it reduces barriers to opportunity. For example: If you are looking for pursuing a career in journalism, you do not need to wait for companies to recruit you, you can start on your own using a blogging platform. Similarly, companies also can now use it as a platform for promotion, without having to go through the old expensive way of traditional marketing.

enabling distribution of power, function and control and assisting in data collection and analysis. ICT affects the three dimensions of a business - workplace, workforce and structure. Cross-unit collaborations over the globe are a reality now, which brings a new dimension to organizational structure.

As for workforce, automation augments efficiency. With cloud hosting services, data storage and back up processes have improvised exponentially.

ICT also help improve business to consumer relationship through use

of social technology. Bringing service providers close to consumers gives businesses a greater advantage over others. This in turn, accelerates growth and expansion of the industry.

ICT as a tool to engineer diversification is not limited to being only an enabler, ICT as an industry of its own holds many promises. It makes way for emergence of new services and industries, for example the App Industry, Social Media Industry. This has also led to rise in entrepreneurial activities and a higher GDP.

ICT LANDSCAPE IN OMAN - DEVELOPMENTS SO FAR

The Government of Oman, with the support of Information Technology Authority (ITA), has been striving to realize His Majesty's grand vision of development of Oman as a "knowledge based economy". As the first step to building a sustainable eSociety, governance was digitized, with ITA set up as an authoritarian body for implementing e-Oman strategy all across the nation.

As a part of successful eGovernance execution, a One-stop Shop known as Invest Easy was set up to enable interaction between ministerial entities and citizens (mainly business users). The integration of different governmental bodies, like Royal Oman Police, Ministry of Manpower, Chamber of Commerce and Industry etc, into one platform has not only led to ease in commercial

registration process but boosted efficiency in business processes. Other e-governance benefits include digital infrastructure set up and automation of departments in Ministry, like Finance, Human Resource Management, Municipality and more.

As for digitizing education, a customized Arabic version of the Global Gateway, a one stop shop for international partnership in education, has been set up to conduct workshops on how ICT can assist further progress in education. Omani Research E-learning Network (OMREN) assists researchers in Information Sharing and Management over one centralized platform.

BlackBoard Learning System, which is introduced in 2009, supports 6 colleges of Applied Science in their program management and student interactions activities. Besides these, various multimedia centers as well as Community Knowledge Centers (20+) have been operative in spreading e-awareness and providing digital training to the youth of the nation.

In the health and wellness sector, Al Shifa System, which is Hospital Information Management System, has been operative in 140 units, integrating and managing patient data flow. Digitization of banking system along with introduction of Self service banking and E-Payment Gateway has led to improvement in operations and security issues.

Fibre Optic Projects renders great



InterTech receives ISO Certification.

connectivity all across Oman. In 2012, record showed increase in mobile penetration by 9% and by May, 2015, there were a total of 195,549 Internet subscribers.

Even after such laudable developments, there are so much more yet to be achieved, especially in sectors like Manufacturing, Fishing, Mining, and Tourism. Although, there is a fully functional website of Ministry of Tourism, steps need to be taken in propaganda activities like digital marketing to help spread awareness and expand the industry.

ICT SERVICES TO EXPLORE

Oman has so far used ICT as an enabler for engineering diversification. The use of hardware components, various application software and database management system have ensured automation of the sectors, thus increasing their effectiveness and ROI. But ICT as a service industry has still a long way to go.

ECOMMERCE

One of the most popular applications of ICT in trade is Ecommerce. Ecommerce has revolutionized the entire concept of buying and selling (both B2B and B2C), by breaking down location barriers and enabling digital wallet – a cardless and

cashless shopping experience. It is a huge boost to local entrepreneurship, especially SMEs, because anybody, with an internet, SEO optimized website and a product/service line, can participate and reach out to customers in any part of the world. It also offers a scope of direct interaction between consumer and manufacturer, completely dissolving the middleman's role. This not just helps companies in cost effectiveness but also assist them in understanding customer's choices, which they can utilize to market and segment their products and services in an efficient way.

With Ecommerce, shopping is now contextual, i.e. more personalized and customer centric. For example: Product recommendations can now be listed to you, based on your search history. It also makes the way for M-commerce, which comes with its own set of benefits of location tracking, push notifications, instant calling and mobile wallet.

Ecommerce in Oman is yet in the nascent stage, with uni-dimensional platforms and stone-age marketing. A fluid web layout, better social interactivity, cross platform marketing, digital assistant to guide you - the scope to improvise and generate revenue is immense. India's ecommerce sector shot up in 6 years, growing from USD 3.8 billion in 2009 to USD 38 billion in 2016. The whopping growth feature makes it an interesting diversification option.

SOCIAL MEDIA MARKETING

ICT has given a new dimension to connectivity with the evolution of social media. With Social Media, online presence transcends website and enter a zone of direct interactivity. For a business organization, a social media page enables to build, manage and market their brand. It gives certain credibility to the business, when viewers find real people interacting with them. Customer acquisition is easy on this platform, as almost half of the world's population is online on any social media site, chiefly Facebook and Twitter.

Moreover, social media is a cost effective space, as budget is flexible. Even with no money involved, one can create a big list of fan following by providing them with valuable and keyword-optimized content. Conversion of leads to customers is faster on Social Media. Targeted sales approach permits customer segregation on the basis of zone, preference, and usability timings. With a wide fanbase, product launch is easy and affordable. Also, keeping a track of your competitors in the market is better organized on social media platforms.

Pinterest, the bookmarking application enables to maximize exposure and involvement by acting as a display board for products. YouTube as a social media platform has generated employment to millions of people, by giving them an opportunity to connect with the right audience at almost zero cost. The social demographics in Oman illustrates that



InterTech Team Event

maintenance of site is an issue. Registration process is often the first and final step. But proper social media page maintenance need to be carried out as a part of brand building exercise as well as to initiate sales from the said channel. Improvement in this sector will also empower other sectors.

E-LEARNING TOOLS

Online Learning encompasses both e-learning and blended learning, thus providing a wide spectrum for attainment of education. For the generation glued to their digital devices, education needs to be on the move and easily accessible. Online Learning is not just limited in creating an

e-forum or a digital classroom. Technology in education is moving at a breakneck speed. 3D printing is the new age lab. It provides an opportunity to students to transform their ideas and textbook theories to life. IoT (Internet of Things) application includes Wearable Technology like Google Glasses, sensor enabled e-cards that enriches learning experience as well as improvises educator and learner communication immensely. Again, gamification is another ICT application that can be utilized to make education interactive and more learner-centric.

ICT IN CONSTRUCTION

Construction is a booming sector in Oman, which is yet to digitize its operation. ICT implementation in construction sector can reap immense productivity gain in a shorter time cycle. One of popular ICT application in this field in the global market is Robotic arms, which have microprocessor programmed with instructions to carry out businesses processes accurately and efficiently.

Besides tools, services like E-Procurement will enable quicker access to information, easy product comparison and cost savings through disintermediation. Again, online project management will not just accelerate efficiency but will also enhance transparency and cost savings. Globally, simulation techniques are extremely popular among industry experts. Usage of Virtual Reality is effective in client briefing and saves the making cost and risk.

INTERTECH: ENABLING ICT SINCE 1994

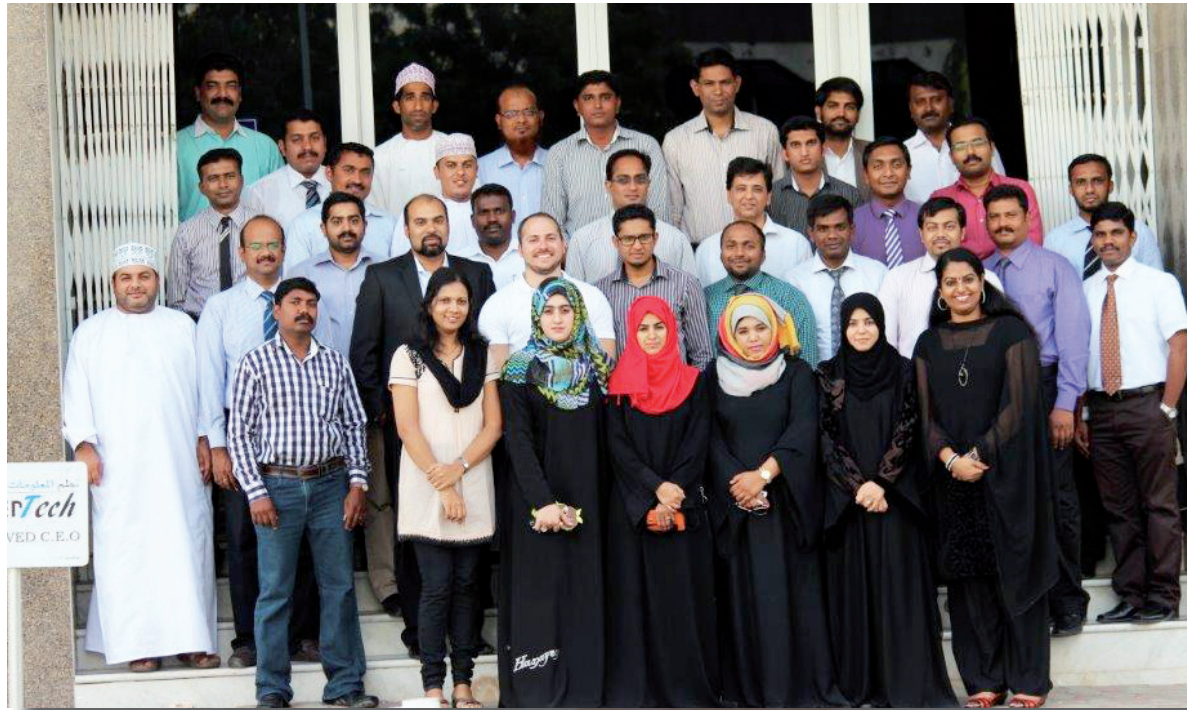
With a firm intent to introduce ICT as a vehicle of change and support to achieve technological development in Sultanate of Oman,

Shaikh Saif Bin Hashil Al Maskery has established InterTech LLC in the year 1994. Carrying forward his vision, InterTech has now come a long way. As one of top ICT enablers in Oman, the company offers comprehensive IT solution and services, specializing in IT Infrastructure,

Business & Technology Consulting, and Professional Services. These includes Business Continuity Management, Cloud Computing, Enterprise Resource Planning, IT Strategy and Audit, Business Process Re-engineering, Data Centre Management, Warehouse Management, Document Management RFID BarCode, System Development, SDLC and Project Management, Business Requirement and Analysis, to name a few. Post Sales Services is the company's USP, with expertise in IT support and Maintenance Services, System and Infrastructure Migration, Corporate Training, and Outsourcing.

Operating on a process-driven model, InterTech aims to boost connectivity, and ease business operations by providing world-class innovative services. The mission is to place Oman high up on the global technological map, prioritizing on Quality and Sustainability. In this regard, the achievement of the very prestigious ISO 9001:2008 Quality Certification has been a major milestone for the company, making them one among a few of the quality-certified system integrators in this country.

To leverage ICT implementation in Oman, InterTech has also actively collaborated with the top ICT players in the global market. One of the very recent partnerships is with NEC Corporation, a Fortune 500 company and one of the most innovative IT Solution Provider, headquartered in Tokyo. Introducing NEC's innovative product line, including Fault Tolerant and Eco-friendly Solutions,



InterTech Staff.

in the present downward spiraling market, is one of the many initiatives by InterTech to building a sustainable economy in Oman. Besides such partnerships, the company is always trying to showcase Oman as a country ready for tech revolution in prominent technology conferences and exhibitions around the globe, like in CEBIT-Germany, Infosec-London, Computex-Taiwan, Gitex-Dubai and many more. The goal is also to keep a watch of the latest tech trend and provide customized local services that are on a par with the global players.

It is this dedication to provide nothing but the best that has made InterTech a popular name in the industry. Currently,

the company handles more than 1000 clients, and has served almost all sectors, including major government bodies, educational, health, banking and financial, oil & gas, manufacturing and service industry.

A LOOK INTO THE FUTURE

Recognizing the potential of digital media, InterTech is actively striving to expand the exciting world of Social Media Marketing in the Omani stratosphere. Besides digitalization services wherein InterTech helps businesses to get digitized, the recent endeavor is on creation of a mobile and web based application to improvise customer service even further.



NEC and Intertech collaborates

Through the app, customers will be able to track their service status, delivery timeframe etc. right from their smartphones and computers. A first of its kind, through this app, InterTech aims to manage grievances promptly and enhance customer satisfaction.

Information Security is also an aspect that the company wants to focus on in the near future. Currently, the company has initiated an active awareness operation on cyber security, by participating in several conferences and partnering with renowned IT players to prepare unique solution that will address all aspect of the problem.

COMPANY FACTS

INTERTECH

Company founded in:	1994
Total number of employees:	72
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