

Benefits of taking a South African IT business global

By [Leon Coetzer](#)

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In a local business ecosystem that is fraught with both political and economic uncertainty, companies are under pressure to innovate and expand with few resources.



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For many South African businesses, and particularly those in the fast moving and highly competitive world of IT, forming strong international partnerships is a savvy, but difficult, way of injecting new energy and IP into local operations. But for those who can get it right, the short and long-term benefits are numerous.

Securing a solid international partnership

Securing an international contract and solid partnership requires a great deal of research, due diligence, and internal transformation.

Our Cape Town-based firm has partnered with [PCMS](#), a UK-based technology retail provider and a worldwide leader in its field. The multinational group was looking to establish a local centre of excellence in software development in South Africa, and their research led them to redPanda Software.

In our case, the 'courtship' process took close to a year, and both parties got to know each other extraordinarily well from both a business and technical perspective. Since the contract was secured and the engagement formally started, we have seen a marked increase in interest from both local and global clients.

Internal transformation

The partnership has resulted in a noticeable internal shift within redPanda Software, with significant changes being made to systems, processes and team management. We are now able to draw on global best practices and to exchange valuable learnings and IP with a renowned specialist.

As a result, we have been able to more clearly define the different roles and responsibilities within the company and its structures and to have the right combination of talent within our teams. For employees, the international partnership also brings with it exciting new opportunities, added personal development and greater visibility in the IT sector worldwide.

Besides the operational, cultural and reputational gains that the partnership has brought, the financial gains could be significant – albeit hard-won. It's important not to view earning foreign currency as simple and a 'get rich quick strategy', primarily because it brings with it many hidden costs as well as administrative challenges.

The volatility of exchange rates can certainly eat into profit margins. Also, transparent and clear negotiations upfront can go a long way in ensuring the success of a partnership with global companies.

True job creation

The foreign currency benefits pale in importance when one considers that true job creation is taking place.

We are not simply moving people between companies, we are (through this contract) creating exciting new work opportunities for local talent, while simultaneously growing and enriching the local IT industry.

South Africa has a pool of immensely talented and ambitious technology and IT professionals, and it's important to be committed to developing and supporting local talent in every way possible.

ABOUT THE AUTHOR

Leon Coetzer is Business Development Manager at redPanda. He holds both a Computer Systems diploma and an Enterprise Architect qualification. He has 18 years of software industry experience under his belt, with extensive experience in enterprise software development. Prior to joining redPanda, Coetzer was a senior development manager, working closely at an executive level with various corporate companies. He has a strong background in implementing and improving the full SDLC, with a preference for agile methodologies and tools, and technical abilities in architecting and overseeing projects using a wide range of technologies and frameworks. With a strategic and operational focus on new business, he brings a unique blend of technical and business knowledge to the redPanda Software team.

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