



ITGStore
A 360-degree impact assessment

Summary

1

ITGStore is an IT engineering company that specializes in the integration, monitoring and maintenance of network and telecommunication facilities. In June 2017, I&P and FERDI performed an assessment study of ITGStore's overall impact on its stakeholders.

2

ITGStore is committed to employment formalization and provides salaries that allow its employees to support their household, begin new projects and improve their quality of life. In addition, ITGStore offers pension and health insurance contributions that provide an essential safety net for employees and their families.

3

Promoting local talent is at the heart of ITGStore's strategy. The company demonstrates this strategy by investing in its employees and providing training and internships to local polytechnic students,. Thanks to its fostering of local expertise, ITGStore is seen as a pioneer company in the local development of Africa's growing IT sector.

4

Managers could develop their skills in terms of human resources management in order to improve the internal communication with employees. Likewise, the bonus system needs to be improved in order to ensure that the treatment of staff is more equitable and transparent.

ITGStore

Company highlights



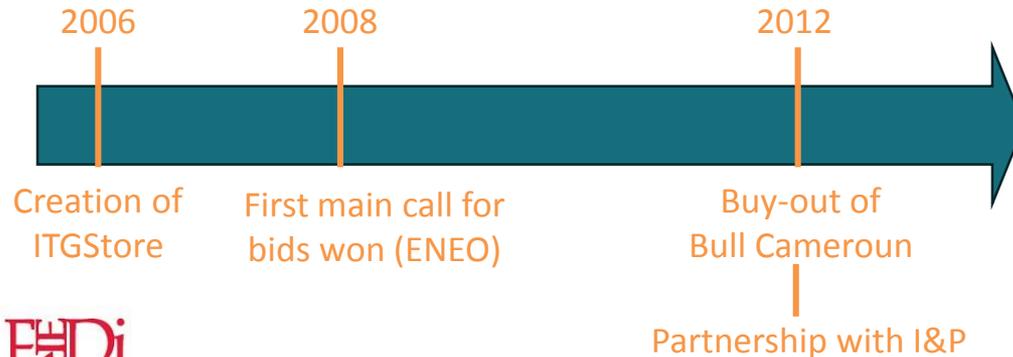
- ITGStore is a **Cameroonian IT engineering company** that was created in 2006.
- ITGStore's headquarters are in Douala, Cameroon and another office is located in Yaoundé. Two additional agencies are located in Niamey, Niger and in Brazzaville, Congo.
- ITGStore's services center around two main areas:



The governance systems of production platforms: automatic detection of breakdowns and defective equipment, network hosting and mapping, supervision and monitoring in real time of company IT systems, etc.



Information and data life cycle management: data storage, protection and archiving.



A Panafrican footprint

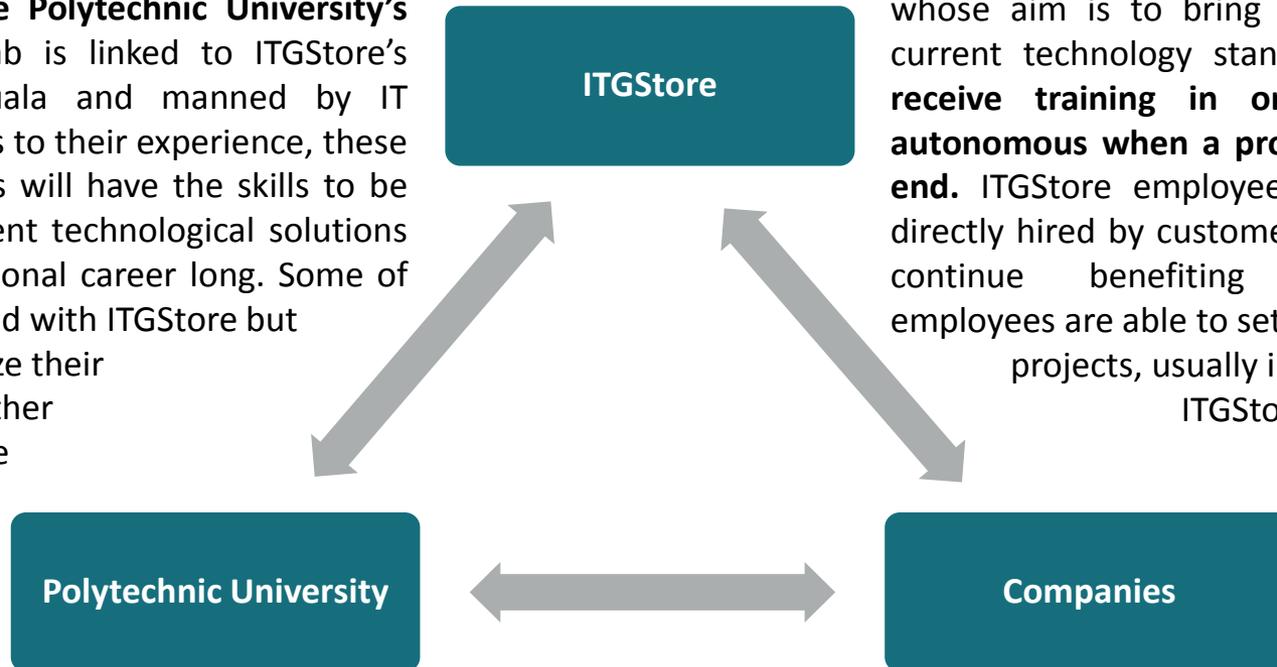


- Countries served
- ★ Local offices

Local development of an industry

ITGStore is creating a local ecosystem

- In 2014, ITGStore set up an IT training **lab on the Yaoundé Polytechnic University's campus**. The lab is linked to ITGStore's servers in Douala and manned by IT students. Thanks to their experience, these future graduates will have the skills to be able to implement technological solutions all their professional career long. Some of them will succeed with ITGStore but most will mobilize their know-how for other companies in the IT sector.



- ITGStore customers benefit from seminars whose aim is to bring companies up to current technology standards. **Customers receive training in order to become autonomous when a project comes to an end.** ITGStore employees are sometimes directly hired by customers who wished to continue benefiting **such**, former employees are able to set up more complex projects, usually in partnership with ITGStore from their skills.

**THE
ESSENTIAL**

ITGStore promotes the development of the IT industry in Africa by training IT students, by increasing its employees' skills and by developing abilities inside customer companies.

ITGStore client testimonials

A proven track record of technical expertise

Today more than ten major companies, from public entities to transnational firms operating in diverse fields such as banking, telecommunications, and energy, trust in ITGStore.

Cost reduction

Network Optimization Project, Alucam

ITGStore helped Alucam decrease its network costs by about 33%, from 210 million FCFA to 140 million FCFA, for an annual savings of 70 million FCFA.

Efficiency optimization

Storage System Reworking Project, Orange

Orange can now salvage its back-ups twice as fast as before.

Rapid solutions

Database Migration Project, Alucam

Although they had one year to build the tools needed to complete the project, ITGStore was able to implement the system in only 7 months.

Productivity gains

Database Migration Project, SONARA

An increase in company productivity thanks to:

- A more reliable internet network
- A more stable operating system.

Understanding of client needs



High performance standards



Quick responsiveness in case of problems



«An engineer in Paris who builds a project in Douala doesn't have the knowledge of the context, of the potential reactions of African people, and their way to interacting with technologies. For example, the relationship with time is different».

*Pascal Chendjou
IT Manager, Alucam*

Note: This information came from interviews with 4 of ITGStore's clients (Alucam, SONARA, ENEO, Orange).

Partnership for training

A fully-equipped IT lab for Yaoundé's Polytechnic University students



PARTNERSHIP

- 2014 establishment of an IT **lab on the Polytechnic University campus** in Yaoundé, fully-equipped and linked to ITGStore's servers in Douala.
- **Practical training** in Yaoundé's Polytechnic University delivered by ITGStore employees to students of the Polytechnic's IT Genius program.

5 student interns work at ITGStore every year. Some of them get a permanent contract at the end of the internship.



TEACHING

- **10 courses** from 6 to 7 hours every Saturday provided to Yaoundé Polytechnic students in their last year of Bachelor's studies and their first year of Master's degree studies.
- Practical work on network and operating systems and on solving virtual IT problems.

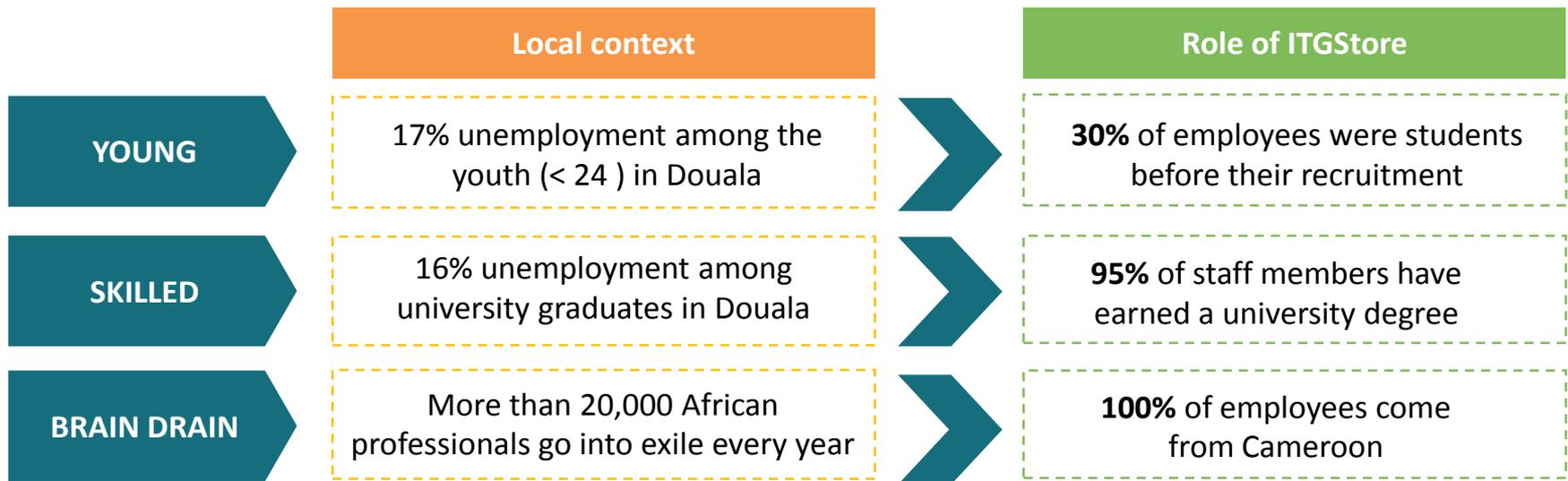
80 students attend practical courses taught by ITGStore employees every year.

THE ESSENTIAL

Access to a fully-equipped IT laboratory allows students to work and learn on real servers and thus **to gain valuable experience**. This practical hands-on experience gives students a real advantage in the job market and allows them **to find employment easily**. Through internships, this partnership also promotes contact between students and prospective employers and provides a recruitment pool for ITGStore.

Promoting local talent

ITGStore, an answer to employment for skilled youth



73% of employees have witnessed an evolution in their daily missions since their arrival.

63% of employees have benefited from a training provided by ITGStore since their arrival.

THE ESSENTIAL

ITGStore gives young Cameroonians who have just earned a university degree their first access to the labor market. Once hired, employees are able to improve their skills – each of them receives 3 training sessions on average. ITGStore fosters economic advancement of local talent, thus limiting the « brain drain » phenomenon in Africa.

Creating jobs

ITGStore has provided 35% of employees their first job

- **Exponential employment growth**

Since 2011, **ITGStore has multiplied its staff by 3.6**. The company began in 2006 with only a handful of collaborators and today has 86 employees.

- **An answer to unemployment**

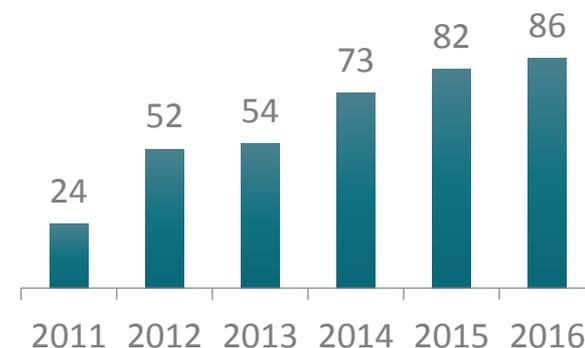
48% of employees have already known periods of unemployment, which last up to 11 months on average.

- **A job for young people**

25% of employees were hired before the age of 25, and half of them before the age of 27.

- **The democratization of formal employment**

Increase in # of ITGStore employees
(as of December 31)



35%

of employees **got their first job** at ITGStore.

50%

of employees signed their first formal employment contract with ITGStore.

38%

of other working household members don't have a formal employment contract.

**THE
ESSENTIAL**

ITGStore is contributing to the **formalization of the economy** because all of its employees have a lawful employment contract, whereas 90% of Cameroon's working population works in the informal sector. ITGStore **offers job openings to young** people who could otherwise have been chronically unemployed because of the lack of job opportunities in the IT sector.

* Source: *Banque Mondiale*, 2012

Increase in earnings for households

ITG salaries provide 85% of the average employee's total household income

An overall increase in wages

- 66%** of employees **earn more with ITGStore** than in their previous job.
- 55%** of employees have received a **pay raise** since their arrival at ITGStore.
- 75%** of **wages** on average **increase** for employees who have received a pay raise since their arrival at ITGStore.

An income that provides family security

- 1.6** people in the household work.
- 85%** of household income is **generated by the employment with ITGStore**.
- 84%** of ITGStore employees **earn the most** income in their households.

Median wage before ITGStore

172 500 FCFA
(263 EUR)



+60%

Median wage at ITGStore

275 000 FCFA
(420 EUR)

**THE
ESSENTIAL**

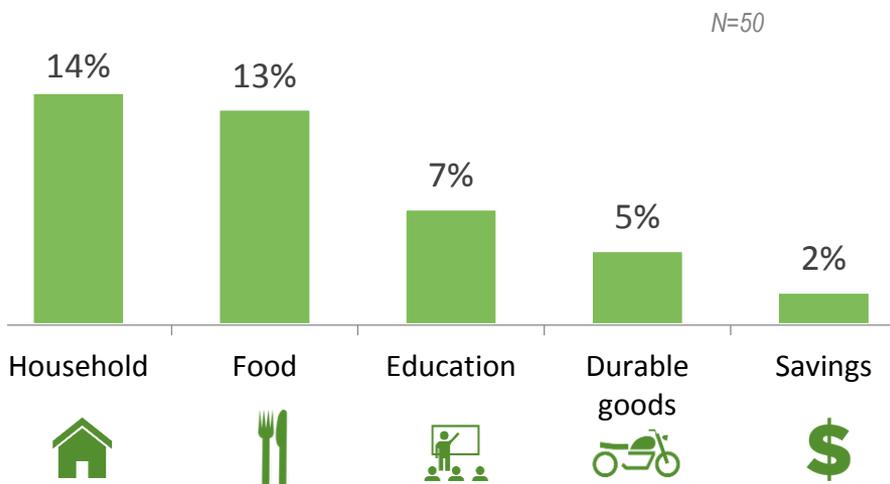
Although the salary at ITGStore is relatively high for a country like Cameroon, some frustration persists as 48% of employee respondents feel they are underpaid. Indeed, **employee wage expectations are higher than average**, given the high tuition fees, their managerial status and their skill level.

Improving the standard of living

Better housing, food and education for households

- Many ITGStore employees have benefited from the financial stability offered by ITGStore to embark on new life projects (marriage, children, housing projects, etc...)

Main areas for increases in expenditures allowed by supplementary income



HOUSING

64% have moved or improved their housing through their employment at ITGStore.



EDUCATION

24% of employees **have changed the school** where dependent children are enrolled for a better school or in a better neighborhood since working at ITGStore.



FOOD

45% **have been able to improve their diet**, and that of household members, since working at ITGStore.



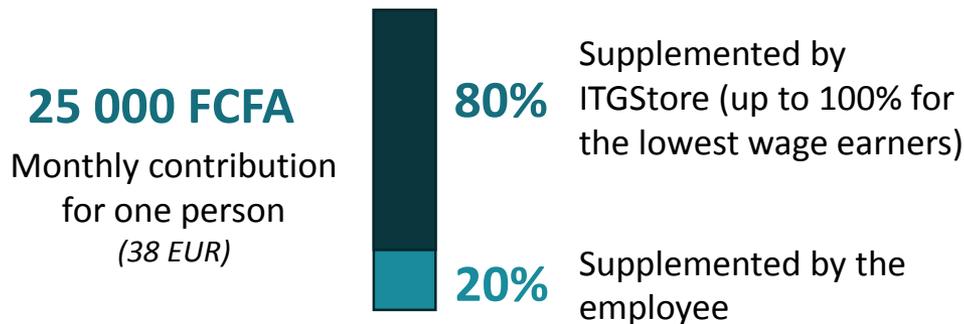
CREDIT

58% of employees **have obtained their first bank loan** since their arrival at ITGStore.

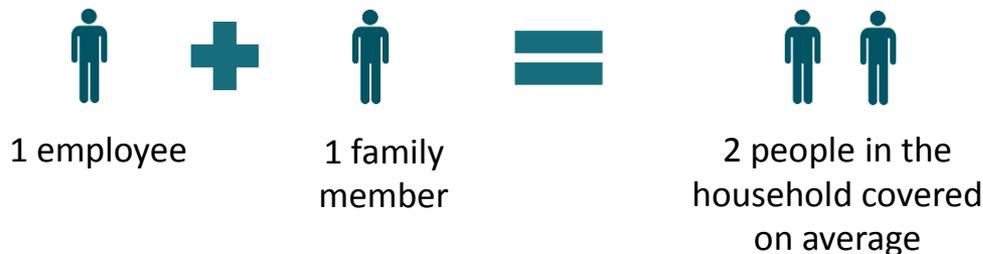
Social protection

48% of employees have insurance coverage for the first time

An affordable price thanks to ITGStore's support



Average two-person insurance coverage for the household



The first instance of insurance coverage for many employees

48% of employees have health insurance for the first time thanks to ITGStore.

A major part of ITGStore's budget is spent on health care

168 000 FCFA (256 EUR) fees reimbursed per employee on average over the last 6 months.

68% believe that their salary alone would not be enough to pay for health care costs.

THE ESSENTIAL

ITGStore offers its employees **private health insurance**, which covers two people on average: the employee and a family member. It should be noted that only 5% of workers are covered by health insurance in the context of their employment in Cameroon.*

* Source : Institut National de la Statistique, Annuaire Statistique du Cameroun, édition 2015

Working conditions

A more favorable situation for employees compared to their previous job

Average satisfaction on a scale of 1 to 5		% of employees reporting a better situation at ITGStore than before
Remuneration	★ ★ ☆ ☆ ☆	56%
Working hours	★ ★ ☆ ☆ ☆	16%
Employment security	★ ★ ★ ☆ ☆	36%
Advancement prospects	★ ★ ☆ ☆ ☆	45%

72%

report that their situation at ITGStore is **better overall** than their previous situation.

73%

of employees are **dissatisfied with the hourly work volume**. They report working an average of 52 hours per week; 30% work more than 40 hours per week.

THE
ESSENTIAL

Overall, employees report their situation is better at ITGStore than in their previous job. However, they are unsatisfied with the relationship between pay and hours worked. An excess of work explains the high number of overtime hours. As these hours are neither recovered nor remunerated, some employees are calling for the establishment of a 13th month in compensation.

Areas for improvement

A lack of communication and employee recognition

Managers who do not listen enough to their employees: 65% of employees feel that their supervisors do not take their requests into account and 57% are dissatisfied with the communication between employees and their managers.

- **Claims taken into account by management** 
- **Communication between employees and management** 

Good social cohesion among employees: 65% of employees are generally satisfied with the atmosphere between employees at the workplace.

- **Atmosphere at work** 

Bonus system and employee recognition

34% of employees feel that the management team does not congratulate them enough when their work deserves recognition.

Recognition of management when the work is well done



82% of employees report being dissatisfied with the bonus system currently in place.

THE ESSENTIAL

The social relations between employees of the same post are conducive to a good working atmosphere. However, **the relationship between management and employees would benefit from being more collaborative** in order to better motivate employees who sometimes suffer from a perceived lack of recognition. Because of a lack of objective rules and policies known to all, employees do not understand certain **differences in treatment** that are sometimes considered **unfair**. The bonus system could be redesigned to make it more transparent and equitable.

Potential risks for the future of ITGStore

Possible turnover is a serious threat

TURNOVER

40% of employees believe they will not be working at ITGStore in 5 years. There is a risk that some of the workers will resign to work for competitors.

ENTREPRENEURIAL FIBER

The entrepreneurial spirit is very strongly developed at ITGStore since 85% of employees would like to start their own business in the future.

LOW INCENTIVE REMUNERATION

85% of employees estimate they could earn more doing the same job in a similar company. Due to the high hourly volume, this leads to a loss of motivation in some.

CAREER GROWTH PROSPECTS

50% of employees are dissatisfied with the prospects for growth or advancement within the company. Some employees see ITGStore as a stepping stone to their future job.

THE
ESSENTIAL

Given ITGStore's significant investment in its employees, especially through the multiple training courses provided, **it is essential for ITGStore to retain this expertise.** The company could meet employee aspirations by offering a plan for career advancement, for example.

Conclusion

EMPLOYEES

- **Formalization of the economy** – 50% of employees have signed their first declared employment contract with ITGStore, opening the way to formal benefits (paid holidays, maternity leave, retirement, etc.)
- **A high wage that can support an entire household** – ITG Store provides 66% of its employees a better-paying job than they had previously. ITGStore's wages generate 85% of the household income of the average employee.
- **Essential social benefits** – 50% of ITGStore employees have health insurance for the first time, which extends to an additional person in the household on average. 68% of employees are also enrolled for the first time in a pension program. Finally, it is possible for employees to apply for an interest free loan from the company.
- **Internal communication to be improved** – Communication between managers and employees need to be improved. Because of their level of study, employees aspire to more recognition and responsibility. The standardization of the bonus system could ensure greater equity and transparency.

LOCAL TALENT

- **An employer of skilled youth** – 30% of employees were students before working at ITGStore.
- **An investment in human capital** – 3 training courses per employee provided on average.
- **A win-win partnership** – 80 students follow ITGStore's practical work at the Yaoundé Polytechnic University every year. This improves their employability and provides a recruitment pool for the company.

CLIENTS

- **The recognition of local expertise** – TGStore guarantees clients prompt responsiveness and familiarity with the local market thanks to a competent 100% Cameroonian work force.

Recommendations

Internal communication

- The necessary improvement in communication between employees could be achieved through **the training of managers in communication or human resources management.**
- Decisions taken, such as the laying off of collaborators, would benefit from being better explained to employees to avoid rumors and provide a better understanding of the basis of these decisions.
- The establishment of a system **or tool, such as a staff representative to enable employees to express their demands,** could be considered.

Employee recognition

Employees expect more recognition when the job is done properly, both in the form of bonuses and verbal congratulations. A **standardized system of bonuses** would make it possible to establish **objective rules and policies, clearly defined and known by all,** in order to minimize differences in employee treatment and rewards.

Career planning

The company can progress in retaining employees by offering them **more opportunities for advancement and career development,** which would give more ambitious employees an incentive to **make a career** at ITGStore.

Overtime compensation

Measures are expected to compensate for the many unpaid and non-recovered overtime hours. The offering of **new social benefits,** such as the introduction of a 13th month, are possible solutions.

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