

# Companies urged to embrace leasing IT

By Edward Kayiwa

Last year, the Government and private companies spent large amounts of money on importing computer parts and software.

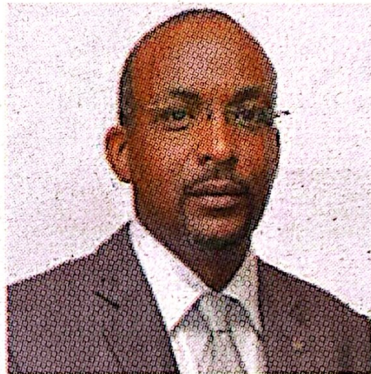
The expenditure, according to the country manager of Gilat telecom, Yaron Farach, was also partly influenced by the changing technology innovations and the need for tighter security.

Interestingly, however, Farach said many of those who bought computer solutions expecting to get quality service ended up spending more on maintenance, upgrade and replacements, thus raising their expenses above budget.

"But all this can be solved by leasing both computer parts and software from a certified service provider, allowing you to cut on prohibitive costs, as well as manage work with less capital, while still getting the same amount of benefits," he said.

Speaking on the sidelines of a press conference at their offices in Bugolobi, Kampala on Friday, Farach said leasing maintains a balance between what business owners feel comfortable paying on a monthly basis and obtaining the latest technologies.

"Computers, tablets, smartphones, printers, servers, and routers all work together to help you succeed in a fast-paced economy, and now you can get the tools you need without the



**Niyitegeka said leasing takes away the headache of maintenance**

upfront cost. All you pay are comfortable installments," he said.

A lease is an arrangement between the lessor (owner of the asset) and the lessee (user of the asset), whereby the lessor purchases an asset for the lessee and allows him to use it in exchange for periodical payments called lease rentals.

According to Farach, the number of companies taking up leasing services in Uganda is growing and is expected to continue increasing as organisations automate.

He said leasing allows companies to reduce the risk of getting stuck with obsolete technology by providing

upgrades and add-ons in the leasing contracts, making it the most feasible option for both big and small companies.

Gilat is an Internet service provider dealing in satellite and fibre broadband Internet services around Kampala and Entebbe. It offers leasing services as well.

According to the country manager of the International Computer Drivers Licence Africa, Michael Niyitegeka, many organisations often get stuck with obsolete computer hardware and software simply because they have nowhere to dump them.

He said leasing, on the other hand, provides them an opportunity to clear obsolete technology at no-cost, while cutting expenses on accessing the latest technology.

He said the arrangement also takes away the headache of routine maintenance, which is passed to the service provider, whose resources are dedicated to maintenance.

However, he said one should watch out for warranty and other small details since service providers will always look for ways of maximising their gain at the expense of the customer's ignorance and negligence.

"Have someone experienced to guide you, especially if the business is an SME, so that you can negotiate the best deal. Also, employ qualified people in your ICT section so that when upgrading, vital information is not leaked," he advised.