

Courage in the face of opportunity



Miroslav Krempaský
CEO
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EDUCATION

- Department of Telecommunications at the Faculty of Informatics at the Slovak University of Technology in Bratislava

WORKING EXPERIENCE

- IT expert at the Ministry of Health of the Slovak Republic
- Co-founder and CEO of Millennium

You were setting up the company back in 1998. How do you perceive the business environment of that time period?

Millennium is one of the second generation of IT companies in Slovakia. The first generation of companies, which originated in the early nineties, right after the revolution, thrived on the sales of hardware and related integration services in particular. We started at the time when companies had an incredible tax burden, and financing was practically unavailable. Fortunately, we did not comprehend these things then, because we were excited for the recently invented Internet and the great freedom that it would bring. At that time, Slovakia's

Slovakia's accession to the European Union has dramatically transformed the opportunities for business. This change had a particular impact for existing businesses with an ambition to expand to foreign markets. We have talked to Miroslav Krempaský, CEO of Millennium, about how their business has transformed over the years in relation to the changing business environment.

internet market was formed, and we were part of its origination. It's only now that I realize how difficult the business environment was then.

What was competition like at that time?

We were a young, newly-formed company. There were about twenty such companies in that period, and I believe three of these companies still remain. Traditional IT players worried us the most. We did not understand why they were not offering solutions and entering into tenders in this new segment of internet solutions and applications. We were convinced that we could not compete with them. On the contrary, they did not see the opportunities that were there as they were not within their scope of interest. Because they failed to react, we were allowed to take over as the leaders in the segment of corporate web sites.

They did not react?

They reacted late and, moreover, in a traditional way. Their offers were several times more expensive than ours, and their realization of project timelines were significantly longer. This is a great reminder for us not to behave in a similar way today. In today's extremely dynamic world,

we cannot afford such hesitation.

How did you perceive the entry of the Slovak Republic into the EU? Did it influence your business?

It did, greatly. The impact showed on two levels. Slovakia was forced to adjust its legislation to European legislation, and at the same time create an attractive, competitive environment. New companies were established and new investors came, which created new job positions. And this entire eco-system needed to solve IT problems, which brought profits to us directly. From the time when Slovakia entered the EU up until the crisis, we were experiencing between 30% to 40% growth. The second level relates to civic aspects. The Slovak passport became an EU passport, which increased its credibility. Freedom to travel and the opportunity for free trade influenced all elements of life for Slovak citizens. EU entry and the introduction of the euro are probably the best things that could have happened to Slovakia.

Why did you decide to enter foreign markets?

We were growing with two-digit numbers until 2009, simply based on orders from Slovak clients. The crisis taught us about internal

effectiveness, as the market changed in a very significant way. Clients decreased their budgets and changed their way of cooperating. This motivated us to correct our strategy and to diversify related risks. One of the pillars of this included entry into foreign markets – mainly the Czech Republic and the U.S. In this respect, EU membership helped us immensely. We were recognized abroad as a trustworthy and professional partner from a stable country.

What is the future of your business in your opinion?

Our sector – information technology – is amazing. There has been constant change and innovation. It cannot be stopped; it cannot be slowed down. We are part of the ongoing transformation of the entire sector, meaning the philosophy "mobile-first, cloud-first". At the moment, I am at the Microsoft Worldwide Partner Conference 2014 in Washington, D.C., where we were awarded the 2014 Microsoft Country Partner of the Year. As a company, we are experiencing great satisfaction for all of the efforts that we have made. We were assured that the value we bring to our clients is high, and that we are on the right track. The Microsoft CEO, Satya Nadella, who I had the pleasure to shake hands with, introduced his vision of the future in one sentence "Courage in the face of opportunity". One can only agree.

About Millennium:

Millennium is a Slovak IT company, established in 2000, with branches in the Czech Republic and the U.S. The company provides customers with CRM services, portal solutions and corporate mobility.