



MARKETPLACE: Shlomo Maital

Imad Telhami Shows What Counts

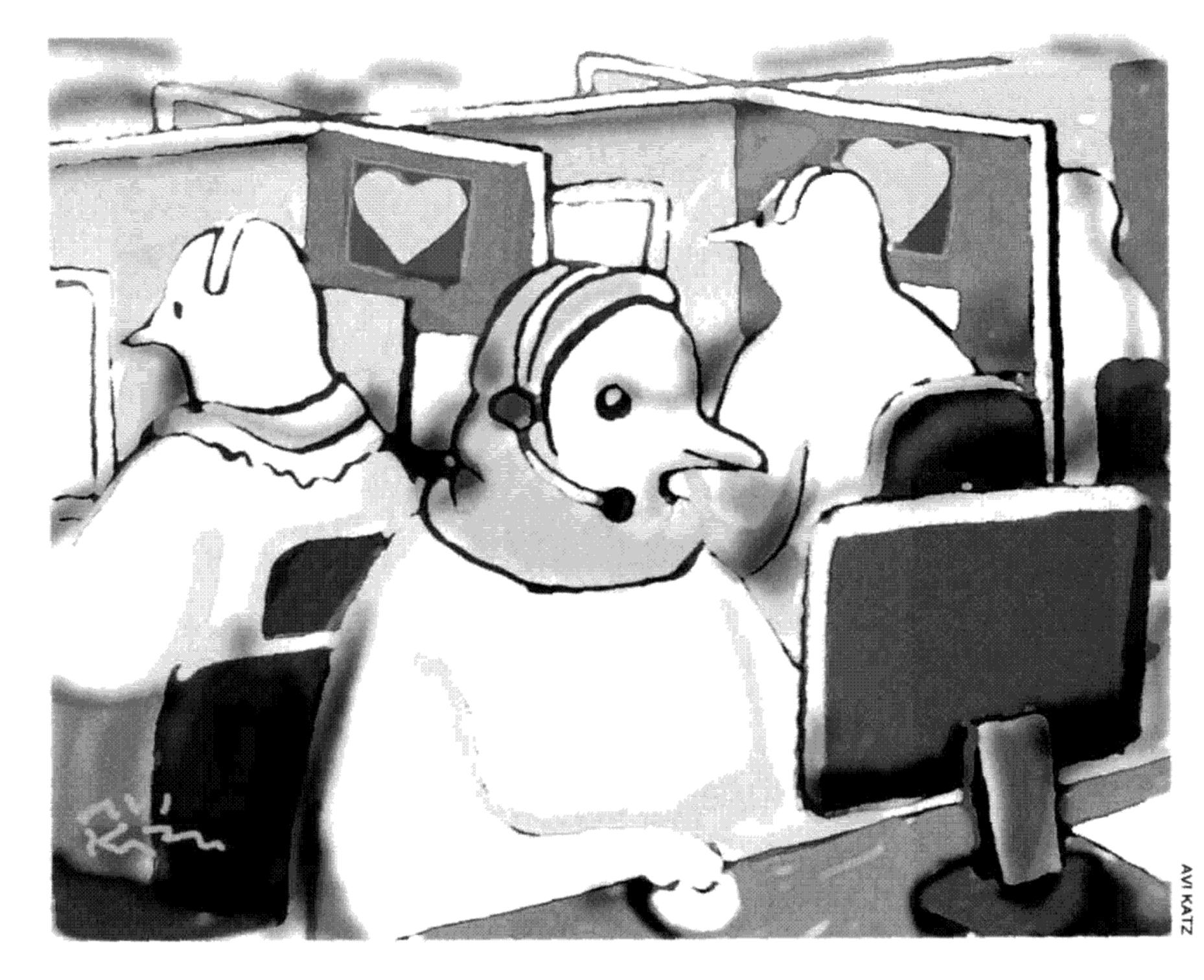
cannot be counted," Albert Einstein once said, "and what is counted, often does not count." Nowhere is this truer than in the world of entrepreneurship. What are often counted as measures of success are stock prices, profits, market value of companies and, above all, the huge checks entrepreneurs pocket after selling their companies. What counts, as Apple guru and venture capitalist Guy Kawasaki observed, is "making meaning"—creating value, changing the world, enhancing people's lives, all very hard to count.

This week I reflected on what counts versus what is counted while speaking with Imad Telhami, a 51-year-old Israeli Christian Arab entrepreneur. "I'm a minority in a minority in a minority in a minority in a minority," he once told the daily Haaretz, "and that is my strength." What counts, for Telhami, is creating jobs. Nearly two years ago, he founded Babcom, a Galilee start-up that supplies call-center services for clients in Israel and abroad.

Why should Israeli companies outsource call-center services to India? he asked. Why not develop them in Galilee, where jobs are desperately needed and skilled labor exists? Among Babcom's clients is the leading Israeli cell phone company Cellcom. Today Babcom employs some 260 workers – Christians, Jews, Muslims, Druse – from 30 villages surrounding Tefen, a science and industry park, and another 100 workers who live near Misgav, Babcom's second site. Some 70 percent of Babcom's workers are women.

Telhami's vision is to employ 5,000 workers within five years. He aims to create not only medium-wage call-center jobs but relatively high-wage software jobs. By the end of this year Babcom Software, which is growing rapidly, will employ 100 engineers who write software and do quality assurance work. Telhami says the Industry, Trade and Labor Ministry pays a 25 percent subsidy on his workers' wages. It is a good deal for the government, because otherwise many of the workers would have to be paid unemployment benefits.

Telhami and his family live in Usfiya, a mainly Druze village, population 25,000, near Haifa. His father aspired to study medicine in Beirut but abandoned the idea in 1948 when the War of Independence broke out, became a



teacher and started a clothing workshop that made clothes for Beged Or.

As a young engineer, Telhami got a job in 1981 at the Beged Or textile plant in Migdal Ha'emek. On his first day on the job, the workers organized a strike to protest the hiring of an Arab. Over time, with patience and skill, Telhami won them over. He went on to become a top executive at Delta Galil, a global textile company founded by legendary industrialist Dov Lautman. In 2007, Telhami, by then Lautman's protégé and right-hand man, was in line to become chief executive officer. But when he failed to get the post – Delta had been acquired and the new owners had other ideas – he quit, without bitterness, raised some money and launched Babcom.

The same week I spoke with Telhami, Israel officially became a member of the Organization for Economic Cooperation and Development (OECD). The OECD has blasted Israel for its huge social gaps among Arabs and ultra-Orthodox Jews.

Telhami cites worrisome statistics. For instance, there are over 60,000 Israeli Arabs with college degrees. Of those who are employed, only about half work in jobs that uti-

lize their education. A survey showed that fully a quarter of these college-educated Arabs despair of ever finding work that meets their skills. But unlike others, who either ignore the problem or just complain about it, Telhami is taking effective action. He is a founder and board member of Kav Mashveh ("equator" in Hebrew), an NGO that aims to integrate Arab college graduates into the Jewish job market and has achieved major successes.

"Creating employment opportunities for Arabs in Galilee," Telhami told me, "is good for the Jews as much as for the Arabs. It removes a source of friction and bitterness. It encourages those who find jobs to better educate their children and better support their families."

Benjamin Franklin once said, "Money makes money, and the money that money makes, makes more money." That was 230 years ago. Very little has changed. Society continually stumbles when money becomes the sole focus of business. That is why we need role models like Telhami to remind us what really counts. Let us hope many more Israeli Arabs become entrepreneurs like him.

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