



## TECHVIEW

# Outsourcing prospects of Bangladesh

## Japan's viewpoint

NAHID AKHTER

**B**OTH Japan and Bangladesh have always shared good bilateral relations during the last three decades, with Japan providing its services as an important development partner to Bangladesh. Besides cultural and political cooperation, economic cooperation between these two countries has always been prominent. The foundation of this economic cooperation has been aid (both financial, infrastructural and in terms of technical skill building of human resources), trade and investments.

Japan has always been keen on introducing new technology to Bangladesh, and today they are looking to tapping Bangladesh's ICT resources in the form of offshore outsourcing. To establish this point, the Japanese embassy in Bangladesh brought in Professor Dr. Keiko Morisawa from Osaka City University, Japan, to provide an informative lecture on the present situation and challenges of IT service industry, through her wealth of experience in



Dr. Keiko Morisawa

Southeast Asian countries.

Organised by the Information and Cultural division of the Japanese Embassy, the program was held at the Lakeshore Hotel, Dhaka, on August 6. Through the lecture, Dr. Morisawa shared her thoughts on the scope and possibilities of the IT sector in Bangladesh, more specifically in terms of offshore outsourcing. She also pointed out some directions for building a cooperative relationship with the Japanese ICT service industry. The program was chaired by Minister-Counselor and Charge d'Affaires, Embassy of Japan, Hiramitsu Hida and was attended by AKM Abdul Awal Mazumder, secretary, Ministry of Science and ICT as the Chief Guest. Other guests included distinguished persons from government, national and international organisations, as well faculty and students of

universities.

Dr. Morisawa, specialist on Southeast Asian industries, spoke of two major IT destinations, China and India, which geographically surround Bangladesh. She also gave an analysis of the Philippines and Vietnamese offshore markets and how Bangladesh can learn from their success stories.

After the lecture, in an exclusive interview with The Daily Star, Dr. Morisawa stressed on how Bangladesh and Japan can benefit each other and promote growth in their economies. According to Dr. Morisawa, four major countries dominate the offshore outsourcing industry. These have been collectively named BRIC (Brazil, Russia, India and China). However, of late, these countries have been facing certain problems. Brazil and China are hardly utilising their potential, Russia lacks government support

and China and India themselves may be turning to non-BRIC locations at least partially to secure low cost and labor availabilities.

Currently, China is the leading offshore destination from Japan, followed by India, Philippines and Vietnam respectively. Dr. Morisawa gave suggestions through which Bangladesh and Myanmar could follow the success examples of Philippines and Vietnam to enter the Japanese market and catch up or even outpace the two. Philippines have the advantage of having English as the linguistic infrastructure and quite smartly, chose to cooperate with India, rather than compete. They decided to look for nearshoring opportunities from India. 'Nearshoring' is the same as offshoring, only difference is that the outsourcer country is closer in distance or time zone.

When asked about Vietnam, she explained that Vietnam is a cheaper market and much more keen to gain access to the Japanese industries. It encourages its citizens to learn Japanese. Moreover, the social and political stability and security in Vietnam is also a driving factor encouraging Japanese interest. Dr. Morisawa believes that if Bangladesh follows the Philippines' example, it can speed up economic development. She suggested that Bangladesh should seek positions for nearshoring with BRIC countries, specifically India. "Bangladesh has huge potential for ITO (IT Outsourcing) and BPO (Business Process Outsourcing)", she says. Right now, Bangladesh can be considered competent in IT sectors like web-page and multimedia design, relational database application development and data processing among others. However, Dr.

Morisawa recommends that Bangladesh should be keen towards getting BPO work too, not just ITO.

Bangladeshi companies should also try to aim for more offshore work from Japan. For this, Japanese language education and training in Japanese business customs should be promoted. Moreover, ITTE (IT Engineering Exam) skill standards, a prerequisite for the BPO market, should be developed. Finally, more advertising and marketing need to be done to Japan by the Bangladeshi ITO and BPO industries.

Dr. Morisawa also informed that the Japanese government is keen on recruiting overseas students to Japan. As part of its '300,000 International Students Plan', Japan aims to welcome 300,000 students from across the globe by 2020 as part of its 'Global Strategy'.

In his speech AKM Abdul Awal Mazumder mentioned that the government has taken up initiatives to ensure a good environment for IT entrepreneurs to thrive in Bangladesh through incentives and infrastructural facilities, such as state sponsored IT villages that offer high-tech offices for rental by IT companies both Bangladeshi and foreign.

Therefore, the government has already started making its first moves. With a healthy alliance between the IT industries, the government and Educational institutions, offshore outsourcing may be the next big boost for Bangladesh's economic growth.

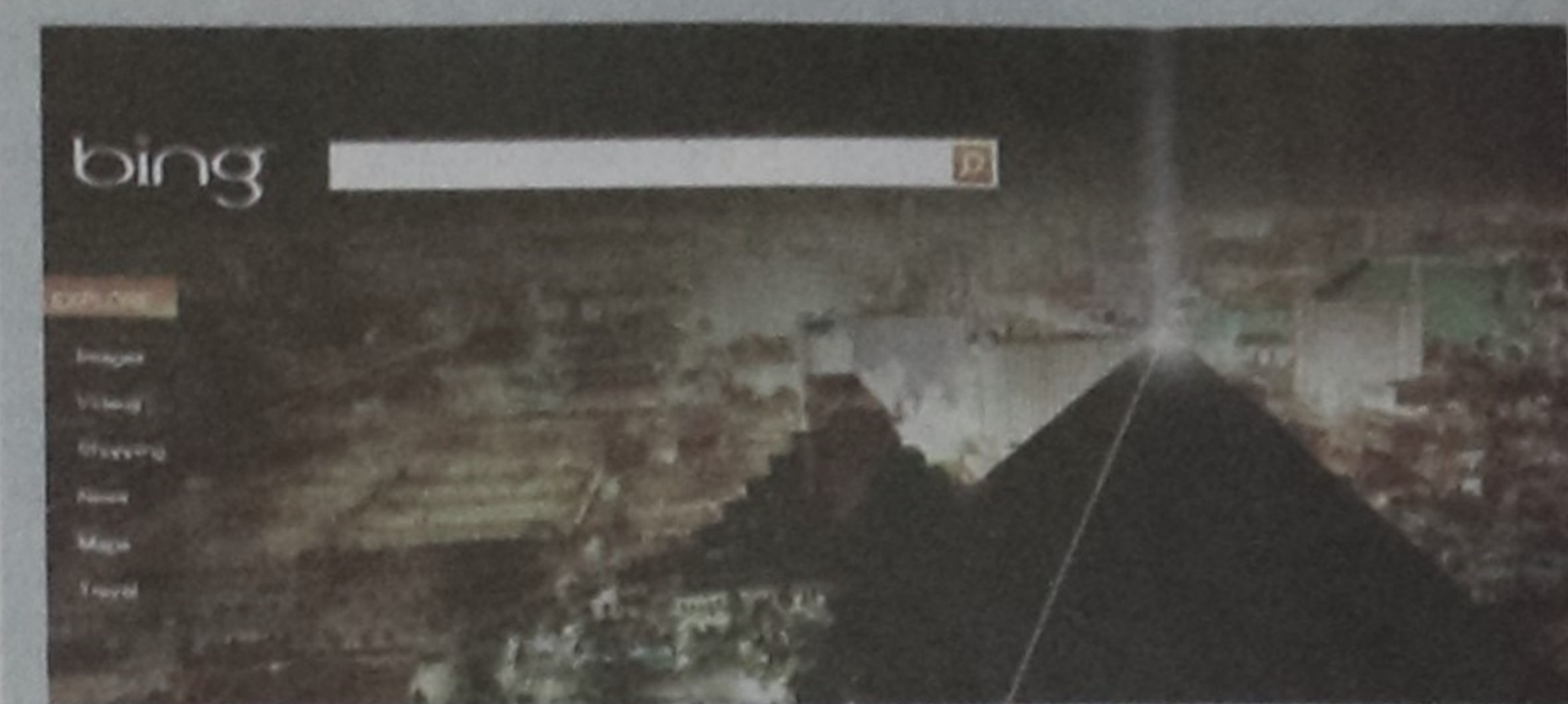
"Japan and Bangladesh can work together to realize this global IT strategy. It's all about cooperation and collaboration", says Dr. Keiko Morisawa.

## IBM PC Convertible

The IBM PC Convertible, released April 3, 1986, was IBM's first laptop computer and was also the first IBM computer to utilize the 3.5" floppy disk which went on to become the standard. Like modern laptops, it featured power management and the ability to run from batteries. It was the follow-up to the IBM Portable and was model number 5140. It utilized an Intel 80c88 CPU running at 4.77 MHz, 256 KB of RAM (expandable to 512 KB), dual 720 KB 3.5" floppy drives, and a monochrome CGA-compatible LCD screen at a price of \$2,000. It weighed 13 pounds (5.8 kg) and featured a built-in carrying handle.



## TECHNEWS



## Modest search gain for Bing: comScore

AFP, Washington

**M**ICROSOFT'S new search engine Bing posted a slight increase in its share of the US search market in July but remained far behind Google and Yahoo!, online tracking firm comScore said Tuesday.

Google remained the overwhelming leader of the lucrative US search and advertising market last month, although its market share dipped to 64.7 percent from 65.0 percent in June, comScore said.

The market share of Yahoo!, which entered into a search partnership with Microsoft last month, slipped to 19.3 percent in July from 19.6 percent in June.

Microsoft's share of the search market rose to 8.9 percent in July from 8.4 percent in June.

It was the second month in a row that Bing, unveiled in late May, posted a modest share gain.

Search engine Ask's market share of 3.9 percent was unchanged from June, while AOL secured a 3.1 percent market share in July, also unchanged from June.

ComScore said US users conducted 13.6 billion searches in July, with Google accounting for 8.9 billion searches, Yahoo! for 2.6 billion, Microsoft Sites for 1.2 billion, Ask for 536 million and AOL for 424 million.

Yahoo! and Microsoft, after months of negotiations, unveiled a 10-year Web search and advertising partnership last month that set the stage for a joint offensive against Google.

Under the agreement, Yahoo! will use Microsoft's search engine on its own sites while Yahoo! will provide the exclusive global sales force for premium advertisers.

The agreement between the Internet portal and software giant, which will be subject to review by US anti-trust regulators, is expected to close in early 2010.

## TECHNEWS

## Toshiba appoints new partner, unveils products

STARTECH DESK

**T**O meet the ever-increasing demands of consumers, Toshiba Singapore Pvt Ltd's Computer System Division (CSD) has recently appointed its new distributor SMART Technologies (BD) Ltd in Bangladesh. With this appointment Toshiba now has two distributors International Office Machines Ltd (IOM) and SMART.

In the glamorous event, Toshiba also introduced its four latest notebooks Toshiba Satellite M500, Toshiba Satellite L510, Toshiba NB200 and PORTÉGE M900 in the local market.

Both IOM and SMART are authorised to sell Toshiba's complete notebook product line and post-sale service.

"Being a global brand and more popularly known in Bangladesh, we have decided to expand the network with two distributors. SMART was selected due to their strong business acumen and distribution expertise in the local market", said Wong Lih Jia, general manager of Toshiba South and Southeast Asia Regional Headquarters. "IOM, with their strongly entrenched name in the country, will continue on to Toshiba's Key partner", he added.

**Signature Series PORTÉGE M900** powered by Intel

Centrino 2 processor technology including Intel Core2Duo processor p8700 (2.53Ghz, 3MB L2 cache, 1066MHz FSB) and 2048MB system memory, it is capable of performing most computing tasks.

**Mobile Companion NB200** Toshiba has designed its NB200 combining style and state of the art technology to meet consumers' mobility needs and digital lifestyle. It offers a unique matt finish and compelling pleated textured cover design with a chrome hinge that appeals to the human visual and tactile senses.

**Toshiba Satellite M500** Designed to handle ever-demanding multimedia and entertainment tasks, the Satellite M500 is powered by Intel Core2Duo processors and 2048MB/ 4096MB (2048Mbx2) system memory. The hybrid storage system combines a 500GB (SATA) HDD and 64GB SSD. The product is available in premier black and premier champagne gold colours with Toshiba Fusion Finish.

**Toshiba Satellite L510** Designed to deliver wide range of everyday computing features the L510 offers a higher level of design than that would be expected from such an affordable device.

The product offers Intel Pentium Dual-Core and Intel Core2Duo Processors. It also gives consumers choice of Intel Graphics Media Accelerator 4500MHD and ATI Mobility Radeon HD 4530. It has a 14" high definition LED backlight display with Clear SuperView technology and a true widescreen 16:9 aspect ratio that offers a resolution of 1366x768 pixels.

## TECHNEWS

## New ICT enabled platform for MSMEs



STARTECH DESK

**B**ANGLADESH Institute of ICT in Development (BIID) recently launched an online market place for Micro, Small and Medium Enterprises (MSMEs) to offer market linkage facility and provide information and advisory services, says a press release.

The portal will facilitate rural businesses e.g. artisans, traditional craftsmen etc. and also promote MSME business by providing information and advisory services such as banking advice, how to set up and operate a

business, how to access finance, sourcing and input information, technology information etc. Businesses will be able to access this portal through telecenters or from any internet enabled access point.

Prof. Jamilur Reza Chowdhury, former advisor and vice chancellor, BRAC University, as chief guest inaugurated the site while KAM Morshed, assistant country director, UNDP was present as special guest. The ceremony was chaired by Dr. Asaduzzaman, research director and chairman of BIDS.

Prof. Jamilur Reza Chowdhury commended the use of Bangla in the portal. "If this initiative is effectively combined with e-krishok, it will do wonders for the rural ICT sector development," he said.

BIID have launched the service with a new brand "SHIKOR" with the "Made in CHT" label for products from Chittagong Hill Tracts region. In the near future they hope to expand to include products from other regions.

## TECHPHOTO



### VIRTUAL MAKEUP

An employee of Japan's cosmetics giant Shiseido demonstrates the company's new virtual make-up system at "The Ginza" in Tokyo on August 20. Shiseido developed the new terminal which captures the user's face and analyzes its proportions allowing also shades and colours to be tried out on-screen. The system is now used in Shiseido's flagship shop to advise customers.

PHOTO AFP