A new era begins for business process outsourcing

Augmedix Inc, a Silicon Valley-based company, ready to help Bangladeshi youth

MUHAMMAD ZAHIDUL ISLAM

THE talented youth of Bangladesh can establish a firm foothold in business process outsourcing (BPO) globally with the help of Augmedix Inc, said a co-founder of the Silicon Valley-based healthcare company.

Pelu Tran said they are going to create a workforce of 7,000 people in Bangladesh in the next five years.

In May, he visited the company's Bangladesh office and development centre, which was established two and a half years ago.

Augmedix, a medical startup, was founded in 2012 by two Stanford graduates: Pelu Tran and Ian Kazi Shakil, who has roots in Bangladesh.

The company currently serves doctors in 13 states in the US and is expanding rapidly.

They recently set up centres in four major cities in India and have an aggressive plan to expand in Bangladesh, if the right environment and appropriate assistance is given by the Bangladeshi government, Tran said.

Medical assistants or scribes will be adequately trained to enable them to work alongside highly qualified doctors in the US in real time, he said.

Augmedix has already started recruiting Bangladeshis who will provide the initial scribe support, including updating patients' medical history and other relevant data into the database, for doctors in the US, by sitting in Dhaka.

"We want to bring the world to Dhaka and at the same time, Dhaka to the world."

"We will be providing a professional and safe working environment to these scribes, both male and female, while simultaneously providing the opportunity to work alongside highly skilled doctors and medical professionals based out of the US," said Tran.

The knowledge transfer that will happen in Bangladesh for the health sector is immense, he said.

Pelu Tran

The Augmedix Dhaka office has also provided back office solutions to software specialists. It has built the first application for Google Glass that enables doctors to access patient information.

The centre enters information into the US government-mandated electronic health records, on behalf of the US doctors, enabling them to do what is most important -- having conversation with the patients.

During his visit, Tran, also the chief customer officer of the company, signed a memorandum of understanding with Ernst & Young, and Leveraging ICT for Employment, Growth and Governance project under the ICT ministry.

Augmedix has already applied for registration of their centre to be designated as a private software technology park (STP) under the Bangladesh High Tech Park Authority's new policy.

"We are very excited and we hope it will be approved at the earliest, preferably within 30 to 45 days by the ICT ministry, to enable us to begin development and hire 400 to 450 employees within the next two years."

Tran was impressed by the smart and ambitious youth, whom he met during his visit to Bangladesh and is excited to be able to connect them with the global market.

All Augmedix employees will be working with leading edge technology while communicating with their clients, such as, doctors and large hospitals in the US.

Pointing out the immense opportunity of this market, Tran said English is a business language and the youth in Bangladesh must become proficient at it.

"Bangladesh is in an advantageous position where 65 percent of the population is under 35 and very tech savvy, making the country an ideal location for any global company's operations."

EU business confidence in China at new low: survey

AFP, Beijing

European companies are losing confidence in China's economy, a lobby group survey said on Wednesday, with many firms planning to lay off staff as Beijing struggles to boost growth and embarks in an anti-monopoly drive.

From car makers to wine growers to tech firms, Europeans have for years looked to China to bolster sales as growth prospects back home have flagged.

But only 28 percent of firms polled by the European Chamber of Commerce in China said they were "optimistic" about their profitability in the country, which the group said was an "all time low".

The number of respondents who see China as a "top three" investment destination fell to 58 percent this year, the lowest since 2011, it added.

The proportion of the 541 firms surveyed who plan to expand their Chinese operations fell to 56 percent from nearly 90 percent two years ago, with nearly two thirds planning to sack staff to cut costs.

"European companies fortunately know how to deal with difficulties," Joerg Wuttke, Chamber president, told AFP. "But the longer the companies are here in China, the less optimistic they are."

China's economy grew 7.4 percent last year, its slowest pace in 24 years and the slowdown has continued into this year.

The Communist Party has vowed to shift the economy away from big-ticket investment projects and towards personal consumption, while also fighting graft and clamping down on anti-monopoly behaviour.

But nearly two thirds of companies surveyed this year said an "unpredictable legal environment", was an obstacle to business, according to the survey.

China has in the past year launched anti-monopoly probes against a number of high-profile foreign firms, drawing accusations of double-standards as domestic players are allowed to dominate some markets.

A third of respondents believe that China's ambitious reform agenda has not "helped create an even playing field for foreign investors," the report says.

It added: "The pace of the implementation of the reform agenda still lags behind the expectations of European companies."

Respondents also cited slow Internet speeds and online censorship as barriers to business.

China's system of website blocks "means that it's not just that the Internet is slow, but also that the Internet doesn't give our companies a way to legitimate research," Wuttke said.

He added that while some companies were looking to other emerging markets as a source of growth, so far they were staying put. "The optimism is shrinking but the optimism is still there," he said. "We don't see European companies leaving China."

REUTERS

Jack Ma, founder and executive chairman of Alibaba Group, addresses the Economic Club of New York at the Waldorf Astoria Hotel in the Manhattan borough of New York City on Tuesday.

Alibaba won't fight for US market share

REUTERS, New York

Chinese e-commerce titan Alibaba Group Holding Ltd does not want to fight for US market share but instead hopes to help small US businesses sell more goods in China, Executive Chairman Jack Ma said.

Ma is visiting the United States this week to explain Alibaba's global strategy and to "help dispel misconceptions" about the company, spokesman Greg Jenkins said in an email.

"We're not coming here to compete," Ma told the Economic Club of New York on Tuesday.

The vast bulk of Alibaba's revenue comes from its dominant domestic online marketplaces, but the company has been investing aggressively in a range of sectors abroad.

Still, it has taken what amounts to a conservative approach to expanding in the United States, contrary to industry speculation that it may be plotting a direct assault on US soil after its record-breaking $25 billion IPO in September.

Ma said he is regularly asked when Alibaba will "invade" America and do battle with Amazon.com Inc and Ebay Inc. Last year, the company debuted a small direct-to-consumer US portal, 11Main.com, which is a collection of Internet storefronts for smaller businesses.

"The opportunity and the strategy for us is helping small business in America go to China, sell their products to China," Ma said.

China auto sales down slightly in May

AFP, Beijing

China's auto sales fell slightly on a year-on-year basis in May, an industry group said Wednesday, as a slowing economy prompts manufacturers to cut prices and trim production in the world's largest car market.

Auto sales in China slipped 0.4 percent on year to 1.90 million units last month, the China Association of Automobile Manufacturers (CAAM) said.

"It is worth noting that both production and sales were lower than the levels last year," Chen Shihua, director of CAAM's industry information department, told a news conference.

He added the twin falls in production and sales in May marked the first time this year that both had fallen year-on-year.

Production slipped 0.58 percent to 1.96 million vehicles in May, according to CAAM.

For the first five months of the year, sales performed better, rising 2.11 percent year-on-year to 10.05 million units, it said.

StanChart needs to strengthen finances: new chief executive

REUTERS, London

Standard Chartered's new chief executive Bill Winters wants the Asia-focused bank needed to strengthen its finances, simplify and restructure to achieve better returns, he said in a letter to staff on his first day in charge.

"We need to reinforce our foundations; streamline our business; strengthen our financial position; and re-orient the bank for better returns on our capital," Winters said in the letter seen by Reuters on Wednesday.

"Our capital strength is a key priority. Capital strength is a competitive advantage, especially in tough economic times. We are reviewing all aspects of our capital strength as part of our broader business review," he said.

Addressing concerns about the bank's capital strength is Winters' top priority, and some investors and analysts have said he needs to raise at least $5 billion from a rights issue and cut the dividend.

Winters said in the letter he would announce the bank's leadership team after the summer and provide details of his broader plans by the end of the year.

"We need to be more resilient and learn to cope with the tough times ahead, but more importantly than that we need to rebuild confidence – in ourselves and with our stakeholders," the letter said.

"Our ethical standards must be beyond reproach and we must play a robust role in the global fight against financial crime. That is a key role for any bank in the world today and is one that we will continue to embrace."

Africa leaders sign 'Cape to Cairo' free trade bloc deal

REUTERS

Egyptian President Abdel Fattah al-Sisi, *centre*, meets with President of The World Bank Jim Yong Kim, *second from left*, ahead of the tripartite summit of Africa's three major regional economic committees; the Common Market for Eastern and Southern Africa, the Southern African Development Community, and the East African Community, aimed at unifying them into one trade bloc, in Sharm el-Sheikh, Egypt yesterday.

AFP, Sharm El Sheikh, Egypt

AFRICAN leaders signed Wednesday a potentially historic 26-nation free trade pact to create a common market spanning half the continent from Cairo to Cape Town.

The deal on the Tripartite Free Trade Area (TFTA) caps five years of negotiations to set up a framework for preferential tariffs easing the movement of goods in an area home to 625 million people.

Analysts say the pact could have enormous impact for African economies, which despite growth still only account for about two percent of global trade.

The TFTA pact was signed by Egyptian President Abdel Fattah al-Sisi, President Robert Mugabe of Zimbabwe, Prime Minister Hailemariam Desalegn of Ethiopia and Mohamed Bilal, vice president of Tanzania, at a summit in the Red Sea resort town of Sharm el-Sheikh.

But hurdles remain, with the timeline for bringing down trade barriers yet to be worked out and the deal needing ratification in national parliaments within two years.

"What we are doing today represents a very important step in the history of regional integration of Africa," Sisi said as he opened the summit.

Addressing the summit, World Bank President Jim Yong Kim said the TFTA would allow Africa "to make tremendous progress and move the entire continent forward".

"Africa has made it clear that it is open for business," he said.

The deal will integrate three existing trade blocs -- the East African Community, the Southern African Development Community and the Common Market for Eastern and Southern Africa (COMESA) -- whose countries have a combined Gross Domestic Product of more than $1 trillion (885 billion euros).

"The geographical area covers Cape to Cairo... the agreement paves the way for a continental free trade area that will combine the three biggest regional communities," Desalegn said at the summit.

Mugabe said the deal will create a "borderless economy" that would rank 13th in the world in terms of GDP. Members of the three blocs range from relatively developed economies such as South Africa and Egypt to countries like Angola, Ethiopia and Mozambique, which are seen as having huge growth potential.

Negotiators drafted the deal this week at Sharm el-Sheikh, and said it had addressed concerns such as management of trade disputes and protection for small manufacturers once the TFTA comes into force.

Officials said the agreement envisions the eventual merger of the three blocs. "The ultimate goal is to ensure easy movement of goods in these countries without duties," said Peter Kiguta, director general of the East African Community.

The TFTA has been widely welcomed by world business leaders, with experts pointing out that only 12 percent of Africa's trade is between countries on the continent.

The United Nations Conference on Trade and Development said in 2013 that if Africa is to boost its intra-continental trade, it must focus on creating "more space for the private sector to play an active role".

Analysts say that although the continent's growth over the past 15 years outstripped global GDP expansion by nearly three percentage points, falling commodity prices, power shortages, political instability and corruption are still holding back its economies.

Egypt's Minister of Industry and Trade Mounir Fakhri Abdel Nour told AFP the TFTA will help Africa boost trade and attract investments, while also building infrastructure and production capacities.

"Egypt itself expects to export about $5 billion worth of goods over the next five years" to TFTA countries, he said.

Officials said companies would benefit from an improved and harmonised trade regime, which would reduce the cost of doing business by eliminating overlapping trade rules.