

Challenges of the startup ecosystem

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with or without funding. We lack passion and that is what we need to improve," he said.

Another critical issue faced by many startups is that of talent acquisition. Many of the startup networking events, mentoring events and incubations have fostered the growth of people with ideas to come up venture towards entrepreneurship. But, no matter how small, a company cannot be expected to strive only on the brilliance of the initiator. It needs good young talents to grow and succeed. Both the authors of this article have had experience in hunting for talent for startups. The problems are many. First, startups are not being able to offer attractive pay packages—as either they are not breaking even or they are not having enough revenue to disburse as a good pay package. But that is not all. There is a cultural factor of perceived prestige for working for big names. This has always been the case with popular business schools, not only in Bangladesh, but all around the world, but such a culture is a big hurdle for startups. Finally, due to the unstructured nature of jobs for any new venture, a lot of fresh graduates prefer jobs in established organisations, where job roles are clearly more defined. This talent accusation issue has been the case for many prominent members of the startup community.

In our study of overall effectiveness of the startup ecosystem, we could identify many other hurdles, but the three we discussed above stood out common among many startups—an effective ecosystem, a proactive government infrastructure, and a culture to attract capable candidates towards a startup. We believe that for the first two hurdles, the way to go forward is to cooperate in a holistic manner, instead of piecemeal work that is prevalent in the present market. Both incubators and government ministries (not only that of ICT ministry) need to sit together and cooperate on both short and long term plans with clear goals and

measurable criteria. The plans need to consider all the active startup mentors, venture capitalists, angel investors, trainers, and infrastructure ministries involving representatives from transportation, telecommunication, revenue board, commerce, and information technology departments of the government. Collaboration on such a scale is very

will outplay the initial time and cost involved.

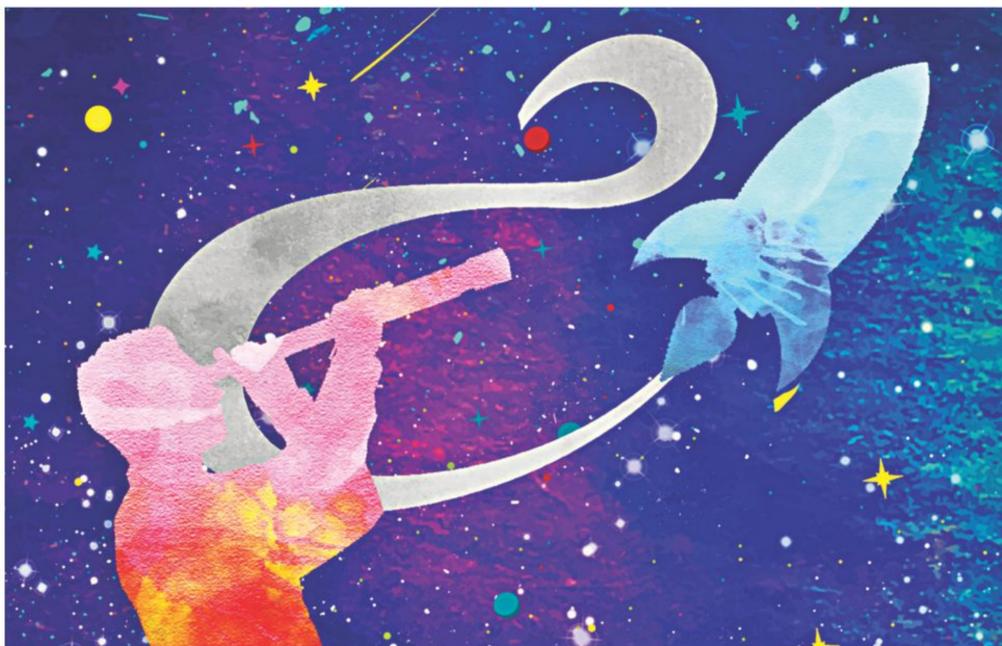
Another suggestion to make the ecosystem more effective is to convert microlevel mentorship into a macro portal. Our experience with startups so far have showed us that most of the mentorship that goes into startups are either through the personal network of

For the third hurdle mentioned, we need to change the culture and the aspirations of our graduates. And such an initiative needs to come from the very business schools from where the young talents are graduating. Educators need to be made aware of the benefits of their students to work for startups, which include but are not limited to qualities

classes can be given assignments based on problems faced by startups, where they can use the skills they learn in the class to solve these problems. This will make the students aware of the startup activity, but more importantly, give them a very good exposure to real life business problem solving. On the other hand, the startups can also impress upon the mind of the students the benefits for working with them. Such collaboration with academia can be on the educator level or on the institutional level. At present, many startup firms and incubators carry out fairs and seminars, but our experience shows that most of them are one-sided, and the learning and awareness is not sufficient to entice young talents to apply to startups. A more interactive approach involving shared assignments and projects can make this learning more effective. This will further help in crafting a culture where fresh graduates will consider startup jobs (although with marginally lesser salary) to be good career prospects.

As mentioned before, this article looks specifically at the major challenges for the success of a startup ecosystem. There are many more challenges, but the three discussed in the article are the ones that stood out in the short span of our study and based on our experience in the startup arena of Bangladesh. We believe that if these challenges are met constructively, and solved with combined effort from both the ecosystem and the government infrastructure, the startup boom would indeed spell success for future development, in terms of both the economy of Bangladesh and innovation.

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hard to establish without any doubt, and will take a good deal of time and energy of very busy people. But if we really want to reap the benefits of the startup ecosystem, and through the ecosystem, the benefits of a better economy, then such a coordination and investment are very much needed in the future. The benefits of such a synergy and resource sharing

the startup of through the network of the incubator. But there are many such micro mentors who have been active and successful. So, possible initiative to leverage the value of mentorship can be to develop a portal which aggregates as many active mentors as possible and then make the portal accessible to as many startups as possible.

such as working in a challenging and ever changing climate, being flexible and adaptable, taking charge and leadership when and where necessary, etc. These skills will help graduates grow in their respective careers in the future. One interesting way can be for startups to approach educators and partner with them for their courses. Students in the



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