STARTUPS
A SUCCESS STORY?

SHAER REAZ

According to a Global Innovation Index report published in July 2018, Bangladesh is ranked 116th out of 126 nations, the lowest score in Asia—below India ranked 57th and Pakistan ranked 109th. Bangladesh is below the likes of the Former Yugoslav Republic of Macedonia (ranked 84th), which was only recognised as a country by the UN as recently as 1993, as well as conflict zones and low-income nations such as Rwanda (ranked 99th). The ranking measures key factors such as the political, regulatory and business environments, research and development, infrastructure, investment and credit, knowledge creation and diffusion—with a scope of determining how well each country is tackling the issues of energy, education, and quality of life.

With such a low rank—17th in Asia (which also houses the fifth highest ranked innovative country in the world, Singapore)—Bangladesh has been labelled a nation where innovation rarely takes precedence over conservative thinking and traditional values that make people resistant to change or unable to induce it.

The government of Bangladesh has initiated several projects since the ruling Awami League party came to power in 2009. Mostly floated under the banner and vision of a "Digital Bangladesh", the projects have since sought to create a policy framework where individuals and organisations can come forward with innovative ideas and receive funding, infrastructure, and knowledge support. Along with a significant push from the private sector in the form of "accelerators", the past decade has seen a steady stream of startups that tried to address the many issues that plague the country in various sectors—health, education, transport and other services.

"The startup ecosystem in Bangladesh has surely come a long way since we started our journey about 10 years back," says Minhaz Anwar, head of Grameenphone's Accelerator programme." The success stories of Pathao, Sheba.xyz andChaldal are building confidence among investors and promoters and at the same time contributing to major mind-shift of the young people towards opting for jobs with startups offering home grown solutions as sustainable career paths."

"On the other hand, ecosystem enablers are supporting the entrepreneurs by providing mentorship, network, guidance and investment readiness to the startups and scaleups from different stages from all over Bangladesh," he adds. "The culmination of all these efforts are helping us build the entrepreneurial ecosystem here," states Anwar.

While there are portions of the startup ecosystem that have managed to enter the fray and stay in the public eye, the innovation that comes from continued research and development (R&D) are still scant. The success of Pathao, Chaldal and Sheba.xyz are rooted in solving issues that have not been addressed by the government—Pathao looks to reduce wait times on Dhaka roads by jump-starting the concept of motorbike ride-sharing, Chaldal wants to reduce the number of people crowding around the city hubs that are traditional bazaars by having them order groceries online, and Sheba.xyz looks to formalise a blue collar service sector that has largely stayed under the radar of who can be considered human capital in the country. While these startups are doing well short-term, these are also a constant reminder of how little these issues were addressed by long-term R&D projects that can remove the need for private intervention.

The barriers to innovation

Shafkat Alam, Chief Technology Officer at HiFi Public and a consultant to various other startups, says there is a distinct lack of communication and understanding between engineers and sales and marketing teams in local startups. "The product might be technically sound, but making it work in real world conditions requires input from users and people tasked with selling it. Often, they speak entirely different languages."

Tech experts keep reiterating this point: the startup industry has plenty of people to build products or mobile applications that will technically work, but it needs better product managers. The industry folk do not know how to do proper market research to find out the habits and demands of their customers.

Either way, aside from the asymmetry of information that persists between developers and entrepreneurs, a global issue that is being resolved at different stages in different parts of the world through various methods, there are more pressing issues that act as a barrier to implementing innovative ideas.

"There is a lack of perspective in Computer Science and Engineering (CSE) graduates in the country. Most developers and systems engineers have a lack of broad ideas, bigger pictures and how each piece of the puzzle can make up a bigger puzzle. That's a by-product of how computer science and programming is taught in Bangladesh at the undergraduate level—broken down into modules that make it easier to learn and teach, whereas an undergraduate course should be casting a net as wide as possible so that the students can get the basics of the bigger picture before specialising during

ILLUSTRATION: NOOR US SAFA ANIK