



BEST FINANCIAL INSTITUTION

Competent and compliant

MAHMUDUL HASAN

Over a decade ago, Kamal Quadir adorned the venue of the launching ceremony of bKash, a nascent mobile financial service provider that he just founded at that time, with some black and white pictures in big frames.

In one picture, a fish seller sits in the capital's Karwan Bazar with a small piece of paper bearing the bKash logo and a phone number, facilitating digital payments for the customers.

In other pictures, similar stickers were posted on the back of a rickshaw and an auto rickshaw and in front of a grocery shop, offering payments through mobile phone numbers. In another picture, the bKash logo can be seen at an ATM booth along with global payment behemoths VISA and Mastercard.

Some ridiculed the idea of how an unknown company like bKash would be able to serve the customers at an ATM booth alongside platforms like VISA and Mastercard. Some laughed off the notion that CNG fares or fish purchases can be paid through bKash.

After a decade, bKash has well surpassed its initial dreams, becoming a ubiquitous fintech company across the country with a broad range of services.

To reach this stage, bKash had to bring innovation, introduce cutting edge technology and roll out new products and services.

But Quadir, the chief executive officer, attributed the success of bKash to it being a "textbook" company.

"We are a textbook company and I want to emphasise the word 'textbook,'" he said in an interview with The Daily Star.

"What do I mean by the word textbook? It means that we followed all the laws, our audit gets completed in due time without any interferences and we pay taxes on time, which are examples of a textbook company's attributes," he said.



Kamal Quadir
CEO of bKash

bKash never compromised with technology and of the teams comprising some 2,400 employees, the bKash tech team was the biggest

"One of the main goals of the company is to ensure the safety of the customer's money. From this I will not deviate even for a second," he said.

He said bKash has been serving millions of customers per day and the bKash team was doing so with the utmost sincerity.

"Any company should operate under compliance and regulatory supervision while ensuring the security of customer's money," he said.

From humble beginnings, the company now has a robust network of nearly 300,000 agents and more than 260,000 merchants across the country with over 63 million verified customers.

From the idea of bKash, Quadir envisioned its prospects.



"From the very beginning, we knew that bKash should be a national platform as it wouldn't be successful otherwise. I knew that it should be built as an institution without compromising anything," he said.

And thus, bKash required the backing of big companies and it was able to secure this, making it the largest recipient of foreign direct investment in Bangladesh among tech ventures.

bKash started out as a joint venture between BRAC Bank and Money in Motion LLC, USA.

In 2013, the International Finance Corporation became an equity partner and Bill & Melinda Gates Foundation became an investor in the company a year later.

In 2018, Ant Group (Ali Pay), an affiliate of Alibaba Group, became an investor in bKash. And last year came global tech investor SoftBank.

In the announcement of the investment in bKash, Softbank said it was exciting to partner with Kamal Quadir and the bKash team.

Asked about Softbank's exuberance surrounding him, he said whenever an investor decides to invest, it is very important to express trust in the entrepreneur who spearheads the startup.

But he also gives credit to the "world's best" board of directors of bKash, its "fantastic group of shareholders" and its "homegrown" team.

Asked if the investment of global companies in bKash helps it to thrive, he said it was benefiting bKash a lot.

"It's a fantastic arrangement. We have the capacity to see the best global practices and many of those reflections came into our work," he added.

"We brought technology from abroad and attracted foreign investment but bKash hasn't hired a single foreigner. All of the company's operations are being run by local talents," he added.

While some Bangladeshis who were working in global companies came to Bangladesh to join bKash, there were some who left bKash for top global tech companies.

Quadir also came back to Bangladesh after studying art and economics at Oberlin College in Ohio and a short stint at the New York Chamber of Commerce, in a pursuit to exhibit his arts in his home country.

He ended up joining an oil company for three years and moved to the US to do an MBA at the Massachusetts Institute of Technology's Sloan School of Management.

But his dormant entrepreneurial spirit sprouted in 2005 when he came back from the US once again and launched Bangladesh's first home-grown online marketplace Cellbazaar.

Cellbazaar was sold to Grameenphone.

While spearheading Cellbazaar, Kamal realised that many people have no access to banking services across the country.

In 2009, a new government was elected which aimed to, among others, build a "Digital Bangladesh" and the central bank was also planning to give a boost to digital transactions.

"After 2009, there was a political direction to digitalise the country and digitalisation of financial services was a priority," said Quadir.

"When the central bank took the initiative in this regard, bKash, as a practising entity, implemented digital financial services," he said.

Another venture that greatly influenced Quadir was M-Pesa, a mobile phone-based money transfer system, which was expanding in the African market since 2007.

He said bKash never compromised with the

technology and of the teams comprising some 2,400 current employees, bKash tech team was the biggest.

Despite having tech supremacy, bKash is always cautious in rolling out a new service.

A service cannot be rolled out without building a certain ecology. For example, bKash was not permitted to introduce services involving remittance, utility bill payments and airtime. It takes time for each service to roll out, he added.

Asked about the future services of bKash, he said digital lending and savings portions for customers would rule the roost of the country's mobile financial service sector.

"Banks are rolling out saving schemes, but it turns out to be very difficult for banks to reach out to small customers in many cases. So, bKash is now working as a channel for people to make savings," he said.

Last year, IDLC Finance introduced digital saving schemes through bKash, enabling customers to open monthly savings accounts.

More than celebration hallmarks



MOHIUDDIN BABAR

One leading entrepreneur and two vibrant enterprises in the country were recently crowned with the top echelon of business awards. Dubbed as the Bangladesh Business Awards, the annual honour is a well-hyped recognition of business excellence in the country's private sector. Global logistics company DHL and leading national daily The Daily Star have been giving this award since 2000.

This year, the theme of this prestigious award was "bridge to prosperity, connecting beyond border" and quite befittingly, all the selected recipients had visibly



significant success stories and contributions in their own domain. In fact, the winners – managing director of DBL Group as best entrepreneur, and bKash and Pran-RFL Group as best enterprises – have not only been stamping good footprints in their own marketplaces but clearly making extra mile achievements over the years. Each of them played their due role to create a bridge towards prosperity and to make global footprints by connecting beyond the borders of the country. For them, it was successful business dynamics but for the nation, it was country branding. In such a scenario, appreciation like this certainly stimulates the commitment and engagement of all those in business operations besides buoying up the morale of winners.

In fact, awards like this are more than just a thank you note. Over the years we have seen a lot of initiatives from different domains to extend appreciation for good work and achievements by the private sector. These are instrumental in recognising the vital role being played by the private sector in the country. These endeavours also set the tune for improving standards, compliance, financial spreadsheet, accountability, human resource development, supply chain management and above all, sustainability.

The selection of the winners this year was quite prudential. As a leader of DBL Group, the managing director has been steering the company to reach heights of excellence in various fronts, mainly readymade garments and ceramics. DBL Group rose to fame for their quality production, research and development, marketing strategy and approaches for sustainability. So, it is no wonder that the company has pegged its presence in Africa by establishing a huge readymade garments complex in Ethiopia.

While the award winners carry the storyline of their successes, we must also appreciate the initiatives of recognising the feats. They have also proved that challenges can be overcome and new milestones can be created

Pran-RFL, with its wide-angled packed food products and plastic utensils, has become a household name in the country as well as in neighbouring India. Pran products have also become popular among the Bangladeshi communities in the US, Canada, Australia and Singapore. Their penetration into these markets has no doubt greatly enhanced the image of the country.

Talking about bKash, it is a story of a game changer. Starting its operation in 2011 in facilitating common people to transfer money through the use of simple mobile phones, bKash has unveiled the opportunities of millions of unbanked people across the country to enjoy accessibility to instant financial transactions. bKash has been piloting the mobile financial service (MFS) sector with innovative and market demand-based services, including facilitating remittance and payment of utility bills. The MFS sector in particular has vividly shown its worth during the pandemic by enabling payments for online purchases or disbursement of salaries and incentives when offices, businesses and communications remained closed due to lockdown.

While the award winners carry the storyline of their successes, we must also appreciate the initiatives of recognising the feats. They have also proved that challenges can be overcome and new milestones can be created. They have also attested the fact that the private sector, given the proper opportunities, can drive economic and social pathways to reach new frontiers. Perhaps, there is a plethora of such successful stories waiting to be explored and duly rewarded. With initiatives like this, there is a feel of reassurance that good works will not go in vain. Truly, recognitions like this go beyond the hallmarks of celebration, accelerating the zeal of business to conduct their operations keeping the flag hoisted high and ensuring benefits to the society.

The writer is a freelancer

Using tech to bridge learning, skills gap

STAR BUSINESS REPORT

As the economy continues to thrive and the middle class continues to grow, education and skills improvements will be the most important factors for upward social mobility, said Shahir Chowdhury, co-founder and CEO of Shikho, an educational technology start-up.

"Even with our best combined efforts it will be an impossible challenge to meet the demand for learning using a traditional supply of teachers and methods," he said.

"As such, we are solving a fundamental demand-supply mismatch and technology must be our bridge to close the learning and skills gap by improving accessibility and therefore helping ensure that Bangladesh can be a force that it wants to become as we proudly graduate to middle-income status," he added.

He was speaking at the 20th Bangladesh Business



Awards ceremony at the capital's Radisson Blu Dhaka Water Garden.

Chowdhury went on to say that Shikho uses technology to democratise access to high-quality Bangla-instruction learning, by removing barriers of geography and affordability.

"I use the word democratise because it should not

matter if you live in a city or a more remote part of Bangladesh. This is made possible today by harnessing the power of the internet and using smartphones as the medium to disseminate at scale," he said.

"We are working to build a digital learning ecosystem that has students at the centre but also keeps in mind all other stakeholders, such as parents, educators, schools and the many other institutions that play a crucial role in education in Bangladesh," he added.

Over the last three years, Shikho has raised over \$5.5 million in investment from global venture capital firms from Silicon Valley and Singapore to locally build a world-class, supplementary, digital learning solution for the Bangla speaking learner.

Chowdhury then said building scalable technology systems that can add value to millions of learners is equally important.

"8 lakh registered learners at Shikho are able to test themselves directly on our app or website," he added.