

A Thematic Study on Entrepreneurship Ecosystem: Bangladesh Context

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Abstract: More than two million people are entering the job market every year in Bangladesh. The demand for jobs is rising consistently while the domestic conventional job market is choking to tackle the inequitable unemployment rate. Many try to cross the national borders to work as migrant workers who are being subject to different kinds of exploitation by the parties involved in the migration process. The scope for working as migrant workers are getting narrower day by day as the host countries are bringing substantial changes in their immigration policies. Moreover, around sixty thousand students are going abroad every year due to inadequate employment opportunities in Bangladesh. Entrepreneurship as a career is gaining momentum throughout the world and it is high time, the youngsters seek the way to walk as independent businessmen. The number eight Sustainable Development Goals (SDGs) emphasizes on “Decent Work” and “Economic Growth” which is achievable only when we are ready to promote entrepreneurship, which in turn facilitates productive activities, decent job creation, creativity and innovation. Bangladesh is tremendously blessed with a vast young population with potential entrepreneurial mindset. Bangladesh government and various development partners are paying considerable attention to the development of budding entrepreneurship. Yet, there are many things that are left behind that need to be improved. Professor Daniel Isenberg (2010) in his article published in Harvard Business Review described a comprehensive environment in which entrepreneurship flourishes. He proposed a framework and categorized it into a couple of domains: policy, finance, culture, support, human capital and markets. Among these domains, this paper tries to explore three instrumental environment- Policies which denotes Government policies and regulations; Human capital i.e. university education; Culture which implies to entrepreneurial mindset and social encouragement related with entrepreneurship ecosystem in the context of Bangladesh through structured personal interviews from recent

graduates from the selected public universities in Dhaka city.

Key-words: Entrepreneurship, Entrepreneurship Ecosystem, University Students, Employment, Entrepreneurial Environment etc.

1. Introduction:

In this rapidly changing world, there is a need to adapt to ever changing circumstances. At some point of time, the youngsters choose the careers that may hit the brick wall, which would instigate a rethinking of career diversions. A recent data from the World Bank that certainly rattles the budding Bangladeshi entrepreneurs reveals Bangladesh has risen to a rank of 168th in the global ease of doing business rankings in 2019 from the position of 176th in the foregoing year. Currently there are nearly 2.4 million graduates in Bangladesh with no employment. According to Bangladesh Bureau of Statistics (BBS) labor force survey, there were around 2.7 million unemployed in 2016-17. 90 percent of them were educated and more than 400,000 (15 percent) were university graduates. Experts opine that the skills mismatch was the biggest reason for the acute unemployment crisis in Bangladesh. While the global startup economy is worth nearly \$3 trillion, Bangladesh does not forget to make its stance keeping pace with this global trend. Entrepreneurship is a vivid synonym for sustainability. The emerging realizations of social and environmental issues have blessed entrepreneurs with new types of opportunities, which produce more social entrepreneurs. Bangladesh has been a leading frontier market with a population of 168 million (BBS) – 8th largest in the world and 5th in terms of density. And advertently, 50% of the population is below the age of 35 years. Undoubtedly, there lies a hoard of beaten paths to be strayed off as a social entrepreneur. Any businesses – big or small – makes a significant contribution to the society, because it not only makes money for itself, but also ensures jobs, creates export opportunities,

distributes wealth and elevates the living standards of the whole community which in turn brings inclusiveness in the society. Bangladesh has been strikingly witnessing a considerable number of start-ups rapidly since 2013 – fueled by collaboration from angels; rise of eco-system enablers like co-working space, community involvements, local and global incubators; and an emerging active interest from the government and the development partners. But major deals and growth have been since the end of 2017. When start-ups have started booming in the country, there is a sparked necessity of framing a conducive entrepreneurial ecosystem to boost entrepreneurship in the country.

2. Literature Review:

Erik Stam (2015) stressed on building up an entrepreneurship ecosystem based on regional policy where interactions between the elements of the entrepreneurship ecosystem and the various entrepreneurial policies are vivid.

Fatema Nusrat Chowdhury (2017) listed a few constraints and problems of entrepreneurship development in Bangladesh namely personal, environmental, situational, judicial, economic and political.

Neha Tiwari (2018) found that the majority of the budding entrepreneurs from Asian countries lack financing opportunities. She further pointed out that unfavorable government policies, taxes and bureaucratic regimes have been substantial obstacles for entrepreneurship development in Asian countries. She also said entrepreneurship education in primary and secondary schools are also not commendable.

Prof. Shivakamal S Malagihal and Mr. Dhritiman Hazarika (2018) concluded that lack of clear understanding of policies, lack of funds, infrastructure, and experience in making good decisions, poor employee engagement and lack of guidance from experts are couple of grave concerns for the de-escalation of entrepreneurship ecosystem in India.

Dr. Yashasvi Rajpara and Dr. Komal Mistry (2018) concluded that socioeconomic conditions are dominant over entrepreneurial and business skills, financial assistance, and non-financial assistance in the entrepreneurial ecosystem in Gujarat state of India.

Dr. Sabrina Korreck (2019) in her study found that Indian startup ecosystem has developed over the time improving a couple of dimensions such as infrastructural and financial support. Her study also suggested inclusion of entrepreneurship curriculum in college courses could be a feasible measure to create more numbers of career-oriented entrepreneurs in India.

Nirnaya Tripathi, Pertti Seppänen et.al (2019) denoted eight major elements namely finance, demography, market, education, human capital, technology, entrepreneur, and support factors of a startup ecosystem, which substantially have impact on start-up ecosystems in a particular economy.

3. Research Gap:

A comprehensive literature review has been carried out in support of three instrumental environments inevitable for an entrepreneurship ecosystem - Government policies and regulations; University education; Entrepreneurial mindset and Social encouragement. After reviewing, it was felt the urge to conduct a study on exploring the young minds to gauge their perceptions about these three environments of the entrepreneurship ecosystem in the context of Bangladesh.

4. Research Questions:

1. What is the perception of graduates in Bangladesh with regard to governmental policies and regulation towards entrepreneurship?
2. Does university education facilitate entrepreneurship?
3. Is there an environment in Bangladesh which creates entrepreneurial mindset and social engagement among students?

5. Objectives:

1. To analyse the environment viable for building an entrepreneurship ecosystem in Bangladesh.
2. To explore the perception of recent graduates about the government policies and regulations with regard to entrepreneurship.
3. To analyse the perception of young graduates on the entrepreneurial skill provided by university education.
4. To assess the environment of culture fostering entrepreneurship in Bangladesh.

6. Research Methodology and Data Collection:

A questionnaire was framed in order to bring to light on the perception of recent graduates about three instrumental environments of an entrepreneurship ecosystem. The questionnaire consists of 10 questions on three different dimensions specifically on Government Policies and Regulations; University Education;

Entrepreneurial mindset and Social Encouragement from recent graduates' perspectives. The questionnaire was framed using 5-point Likert Scale and was sent to 100 students of selected public universities of Dhaka City using google form. Among these, 80 responses were recorded correctly. 57 percent of them were male and 43 percent of them were female respondents.

Convenient Sampling technique has been used while determining the sample design.

7. Data Analysis:

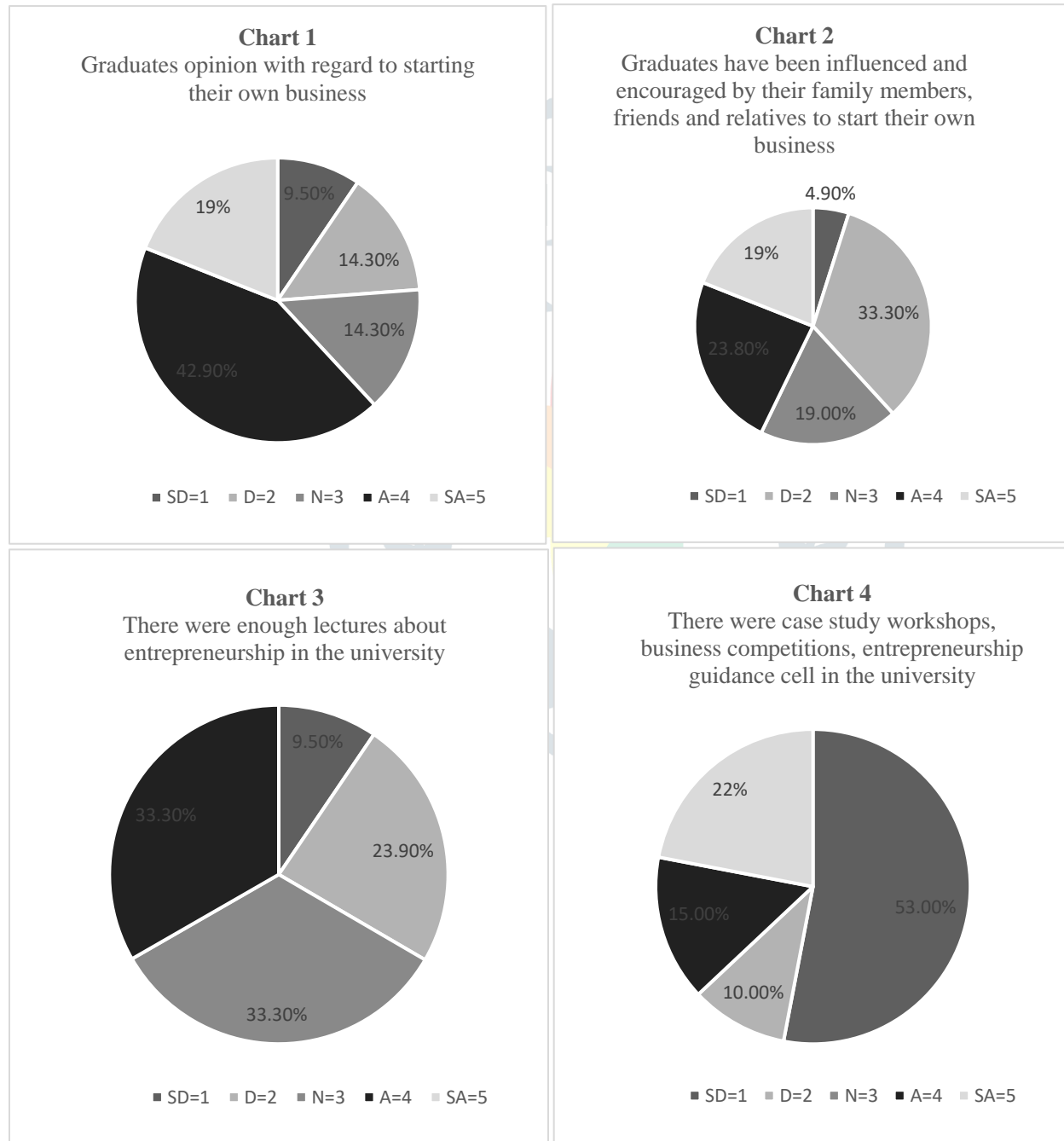
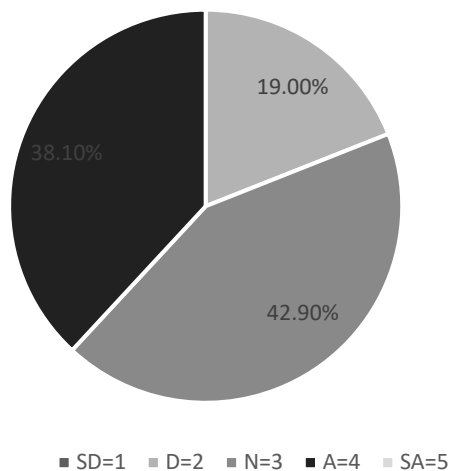
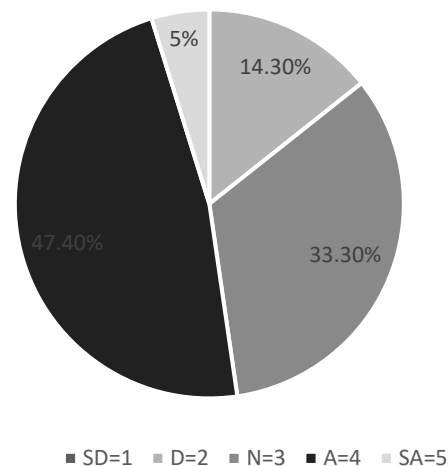


Chart 5

Graduates are well aware of government policies and schemes viable for entrepreneurship development

**Chart 6**

Government is encouraging Entrepreneurship Development Program and Entrepreneurship Development Cell



8. Results & Discussion:

From the charts it is found that 42.9 percent of the graduates agreed that they have thought of starting their own business at some point of their life. 33.3 percent of the graduates disagreed about being influenced by their family members, friends and relatives to start their own business. 33.3 percent of the graduates agreed that there were enough lectures about entrepreneurship in their university and again 33.3 percent of the graduates were neutral about this fact. 53 percent of the graduates strongly disagreed about the fact that there were case study workshops, business competitions, entrepreneurship development cell in their university. Again, 42.9 percent of the graduates were neutral about the fact that they are well aware of government policies and schemes viable for entrepreneurship development. Besides, 47.4 percent of the graduates agreed that government is encouraging entrepreneurship development program and entrepreneurship development cell.

9. Impact of the study:

In Bangladesh, where there is a progressing economy and a continuously increasing number of the need for jobs, promoting entrepreneurship is the most important way to create sustainability. Universities should provide more practical knowledge about entrepreneurship and equip students with right knowledge which will help them to start their own business. Even though the government of Bangladesh and other development partners are paying attention to the development of budding entrepreneurship, still there is a huge lack of proper and sufficient efforts. Both private and public sector should work hand in hand towards building an entrepreneurship ecosystem in Bangladesh. The policy makers should create a more entrepreneurship friendly environment where the startups can grow rapidly. This study is only limited to the recent graduates from the selected public universities in Dhaka city, so the entire picture of Bangladesh has not been captured due to various confines. Further research can be carried out to see the bigger picture about the entrepreneurship ecosystem in Bangladesh.

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