

JOBS NEWSLETTER

JOBS

ASSISTING ENTERPRISES
TO CREATE EMPLOYMENT

An innovative USAID/ Bangladesh initiative implemented by the IRIS Center at University of Maryland

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Other recent highlights:

- 21 Enterprise Development Workers (EDWs) were trained in Enterprise Development and Business Management (EDBM).
- 1,200 entrepreneurs were trained in 48 training sessions, by EDWs on EDBM.
- 10 textile organizations were trained in Designing and Quality Control, to meet requirements for the upcoming New York Home Textiles Fair.
- The Dhaka Export Processing Zone hired 12 trainees from the Project's Savar Footwear Cluster.
- 3 international experts attended the conference on E-commerce, jointly organized by JOBS and the Government of Bangladesh.

Credits

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PHOTOS:

Siraj and JOBS Project.

Micro Enterprise (ME) Training: training the trainers, and assisting entrepreneurs

The JOBS Project's training team provides support to micro enterprises (MEs) in two stages:

For trainers: Field workers - called Enterprise Development Workers - from organizations working with JOBS attend a 12-day Entrepreneurship Development and Business Management (EDBM) course.



For entrepreneurs: These trainers are then in charge of carrying out 6-day intensive courses for grassroots entrepreneurs, tailored to their special needs.

Success comes with training



The story of two sisters on the following page is an example of how the Project assists micro entrepreneurs in the rural areas of Bangladesh. Bithi and Shathi's accomplishment confirms our belief that the right kind of hands-on assistance paves the path to success.



Two Sisters

make bread to support their family

Bithi and Shathi are two sisters from a remote village of Sirajgonj district in Bangladesh. Their father is a poor sharecropper whose sorrow was that his sons were too young to support him in his old age. From a very young age, the two sisters wanted to stand on their own feet as independent, earning members of society. Their family never imagined that their tenth-grade girls would ever be able to support the household financially.

Perseverance and patience pay off

Bithi and Shathi have proven their worth and amazed everyone in their community by their perseverance and success. As active members of a local non-government organization (NGO) in Sirajgonj, although too young to join the micro-finance groups, the sisters sought assistance in other ways to make their dream a reality. They learned to bake breads and biscuits, which prompted them to consider starting a small bakery on their own.

The lack of capital was their biggest challenge

When the JOBS Project began working with the local NGO in 1998, Bithi and Shathi became potential candidates for the Enterprise Development Program run by JOBS. With a loan of Tk 20,000 from the NGO and their own savings of Tk 40,000, Bithi and Shathi set up a bakery in their backyard.

Training in business management

Comprehensive training in Entrepreneurship Development and Business Management was provided by the JOBS Project, which proved beneficial for them in running the business. JOBS and the local NGO also provided them with regular follow-up and counseling. Bithi and Shathi are able to rely on Enterprise Development Workers (EDWs), trained by JOBS, for all kinds of support and advice on a day-to-day basis. In time, the sisters have learned to identify the demand for their business and plan accordingly to make a profit.

Proud proprietors

Bithi and Shathi are now the proud proprietors of a micro-sized enterprise that has four full-time employees. Up to 12 people are under contract to market their products in the local market. On average, they earn Tk 5,200 per month and support the family. This almost doubled the family's previous earnings.

The sisters have bought carts to carry their products to buyers and to fetch raw materials. Furthermore, they have purchased two decimals of land near their home on which to build the bakery. Bithi and Shathi have also invested some money in their father's sharecropping venture, for security. They are able to send their younger brothers to school, which is another dream come true for the family. Meanwhile, they have continued with their education and hope to do the higher secondary exams in the coming school year.

Their father no longer laments the fact that his first-born are daughters

Bithi and Shathi have proven themselves to be able and confident members of their community. Their father no longer laments the fact that his first-born are daughters; in fact he is proud of their accomplishments. The sisters are proof of what access to working capital and need-based training can do for micro entrepreneurs as they improve their lives.

The JOBS Project has been working with young entrepreneurs, like Bithi and Shathi, since it began operating in Bangladesh. Countless micro enterprises across the length and breadth of the country have benefitted from programs implemented by JOBS and local NGOs working in collaboration.



Bithi and Shathi with their mother and youngest brother

Small and Medium Enterprise (SME) Development: technical and marketing support

The JOBS Project's Small and Medium Enterprise (SME) Development Team provides assistance in two main areas - technical training and marketing assistance. These are the areas where entrepreneurs seek most support. Basic training in business management and skill development is designed to meet specific needs, based on identified problems.

Technical training:

Markets are studied and skill development programs are designed accordingly. For instance, JOBS found there was a demand for vegetable-dyed products but few knew how to take advantage of the opportunity. Entrepreneurs involved in handloom/handicrafts and textiles needed training. JOBS designed a training program to develop their skills in Vegetable Dyeing and Natural Block Printing. Promotion of these items among wholesalers, buyers and producers was emphasized. An exhibition of vegetable-dyed items was also organized to raise awareness and promote the ecological benefits of this process, which is in high demand in international markets.



Skill development for growth

Marketing:

Following the training, the team provides marketing support. Existing marketing options are explored and steps taken to promote the products. An important aspect of the training program is the promotion of clients in export markets. Often local markets are unable to absorb the numbers produced and it is vital for producers to access other markets. To prepare entrepreneurs for the international arena, JOBS arranges for training as well. Based on the specific needs of different markets, different types of training are provided.

JOBS offers the following market-related training:

- Salesmanship
- Buyer Communication
- Designing And Product Development
- Quality Control
- Basic Business Management



Learning about colors

The story below and on the next page exemplify the success of JOBS' technical and marketing support for SMEs

AAKOR: 2000 Workers in 5 years - success comes with marketing and quality products.

The morning after a violent storm tore apart the tin shed that Selina had built at her father's home with capital from her handicraft business, she picked through the debris of broken machinery and clothes strewn across the ground, wondering how to rebuild the barely one year old business.

Life has dealt Selina a series of blows and disappointments, and it has taken great determination to pick up the pieces, to adapt to changed circumstances and keep going. Today, her company AAKOR, provides work to over 2,000 people, many of whom Selina trained herself. They make clothing and soft furnishings, using fabrics that have been embroidered, dyed, block-printed, painted and appliqued. Her products are sold to retail outlets as well as in her own showroom.

Selina's association with the JOBS Project has enabled her to participate in local trade fairs, which increased her sales substantially. Her workers learned about natural dyes and block printing

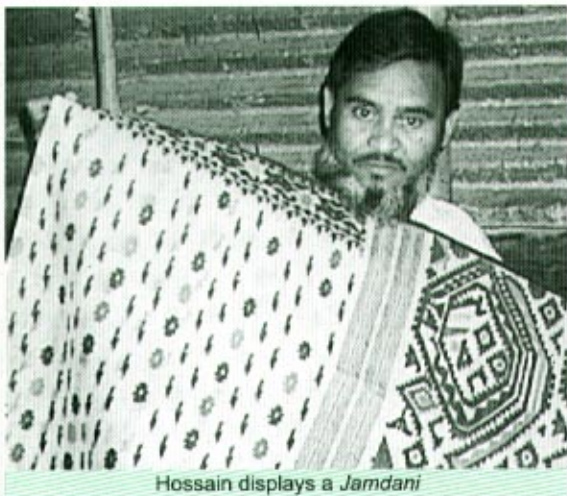
at a training organized by JOBS. Selina and her staff have been trained as part of the Project's Small and Medium Enterprise Development Team's efforts to assist enterprises like Aakor that have the potential for growth. As a result, Selina's business outlook has changed and she recognizes the importance of marketing and quality products.



Selina's staff at work

Selina feels that as a woman, she is not taken seriously as an entrepreneur. Often she finds it difficult to promote her goods and to claim payment for work. However, she further stated that now she has the confidence to develop products and market them herself. She organizes her own exhibitions and is actively involved in the promotion of her business.

Selina hopes to further develop her own skills and those of her staff with additional training. Her goal is to increase her sales and procure orders from international markets through linkages with foreign buyers. She wants to ensure her workers have security and employment. Together they want to make Aakor a successful enterprise. JOBS has no doubt they will succeed.



Hossain displays a Jamdani

A weaver dedicated to his art and profession

Abul Hossain is a weaver by profession, like his forefathers before him. He has lived and worked hard to get where he is today. As proprietor of Shumon Weaving Ltd, he is renowned for the Jamdani sarees he makes.

Making links through JOBS

Hossain was one of the weavers interviewed by JOBS, as part of their survey to determine the needs of weavers so that the best possible assistance program could be designed. Hossain subsequently attended a JOBS seminar on "Handloom/Handicrafts Export Marketing and Development Assistance". At the recently held JOBS Trade Fair 2000, Hossain demonstrated the art of weaving,

shared his knowledge and was at hand to assist buyers with vital information about washing and maintaining sarees. He received the "BEST STALL" award. JOBS linked Hossain up with another SME client, Banaj Barnali, who now places orders for sarees and material with him.

Hossain tells his story:

"I named my company after my son, Shumon, because I want to inspire him to carry on our ancestral profession. When I was 12, I began working as an apprentice. I like 'reinventing' traditional designs, motifs and patterns of *Jamdani*s, and play with colors to create new styles.

Not so long ago, *Jamdani* weavers produced different goods, like curtains, bed-sheets, napkins, pillow covers, etc, not just sarees. Each product has a specific weave, with different mixtures of cotton and silk thread. The *Jamdani* is a very delicate fabric and requires special care in washing and cleaning.

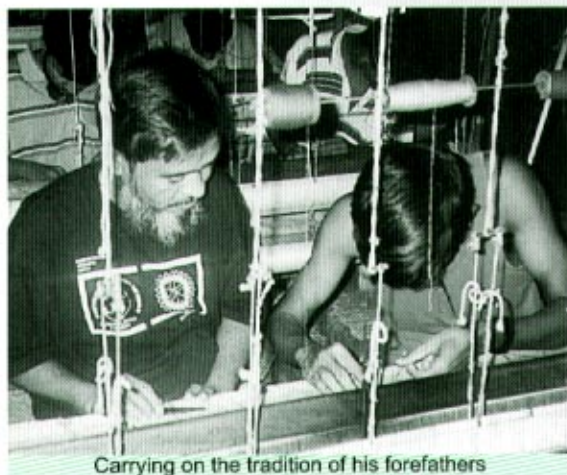
To make one simple cotton saree takes at least one week. An ornate half silk saree, depending on patterns and color combinations, takes two to three weeks, and an ornate saree takes over a month.

For years after the war,* our profession suffered due to negligence and corruption. Unorthodox producers gave us a bad name and people lost faith in *Jamdani*s. We heard about shiploads being exported every month. How can that be possible when all the weavers in Dhaka can't even produce that many quality sarees in a year? However, recent efforts by individuals and organizations have given weavers the incentive to produce quality goods.

If my product is good then people will return to buy from me. Every saree is guaranteed for two years. If worn and washed according to our instructions, they won't be easily damaged. Customers' preferences from season to season, prevalence of colors and motifs all help us decide what we produce.

JOBS' programs are specifically designed to meet our needs. At JOBS trade fairs I meet buyers and producers from different regions. I learn from others' experiences and share my own. I also receive orders from other JOBS clients for silk sarees and materials and this assures me of a steady income.

I employ 16 men and 8 women, and have 14 looms. I hope to encourage and employ more people and preserve the art of weaving. We weave all kinds of silk, cotton and mixed fabrics.



Carrying on the tradition of his forefathers

I believe that with the right kind of publicity, support and assistance the *Jamdani* can become a well-established product in the world market. I am confident that we can do it; provided we are helped to rise from the existing slump. I don't seek to reap the benefits on my own. I want to share them with my community so we can prosper together. JOBS has been a good partner and friend in helping change our lives"



Being interviewed for television at JOBS Trade Fair 2000

* In 1971 Bangladesh became an independent country after a 9 month war.

Staying competitive with

E-commerce

Bangladesh cannot afford to ignore electronic commerce (E-commerce). If it does, it may not be able to compete at an international level and may even lose some of its current export markets. This was the message at a recent high-level conference, "Potential and Policy Priorities of E-Commerce in Bangladesh", organized by the JOBS Project, in collaboration with the Government of Bangladesh.

What is E-commerce?

Electronic commerce is a generic term that encompasses many forms of trade of goods and services, all of which rely on the Internet to market, select, pay for, and/or deliver these goods or services.

Why must E-commerce not be ignored?

Rapid globalization means that, in order to be competitive, a country must have access to commercial, scientific and cultural opportunities across the world. This is made possible by the Internet, which serves the interests of both large and small enterprises. The potential benefits of inclusion in E-commerce are as high as the risks of exclusion.

Sharing expertise

The conference provided the opportunity for a wide range of professionals to become more informed about the opportunities and challenges of E-commerce, by bringing together leading IT specialists, government representatives, donors, bankers, economists and the media. Experts from Bangladesh, the USA, Sri Lanka and Vietnam were on hand to share their experience of:

- expanding the use of E-commerce
- issues faced by policymakers in developing countries in creating a supportive policy environment for E-commerce
- implementing reforms for E-commerce.

The conference learned that exciting work is also taking place in Bangladesh. For example, Dr. Anir Chowdhury runs "eVastra Corporation", a business-to-business online marketplace for the global apparel industry. But how ready is the rest of Bangladesh for E-commerce? This is being assessed, with support from the

JOBS Project, by Dr. Ananya Raihan, who is Associate Professor at the Bangladesh Institute of Bank Management, as well as Research Coordinator of TechBangla's IT Research Unit. He has been actively involved in promoting awareness of E-commerce and payment settlement systems in the banking industry in Bangladesh, a key ingredient in the success formula.

What must be done in Bangladesh?

Although E-commerce relies on a solid Information Technology (IT) sector, it also involves broader, non-technological issues. The priority areas that emerged at the conference included:

- developing human resources in IT
- ensuring the financial and banking systems keep up with the modern age
- ending the existing monopoly over telecommunications in the country
- strengthening government support for E-commerce and participation in E-governance
- overcoming legal constraints.

Commitment

Senior representatives from the Bangladesh's Ministry of Science and Technology and Ministry of Planning were present, as well as the Principal Secretary to the Prime Minister, demonstrating their commitment to E-commerce. Also present was Ambassador Peters, US Ambassador to Bangladesh, who emphasized that the US looked forward to working with Bangladesh to help develop its access to the digital age.

Moving forward

This conference was a major step forward in convincing people of the potential of E-commerce and in highlighting the serious policy issues standing in the way of electronic commercial progress. It is hoped that the suggestions for policy reform will receive top priority and bring positive results for entrepreneurs in Bangladesh who are eager to join the rest of the world in the race to become electronically viable. The Project is now poised to help facilitate this transition.

E-Commerce @ Bangladesh:

PARTICIPANTS Potential and Policy

at the conference included: Priorities

- Representatives of Government of Bangladesh: Dr. Muhiuddin Khan Alamgir, State Minister of Planning; Dr. Tawfiq-e-Elahi Chowdhury, Secretary, Ministry of Planning; Lt. General M. Noor Uddin Khan (Retired), Minister of Science and Technology; Mr Fazlur Rahman, Secretary, Ministry of Science and Technology; Dr S.A. Samad, Principal Secretary to the Prime Minister
- Ambassador Peters, US Ambassador to Bangladesh
- Mr. Gordon West, Mission Director, USAID was present to share his views
- Dr. Catherine Mann, fellow at the Institute for International Economics, in Washington, and main author of *Global Electronic Commerce*
- Dr. Gamage, Managing Director and Chief Executive Officer of the Sri Lanka Institute of Information Technology
- Dr. Anh Mai, Secretary General and Vice-President of the Vietnam Association of IT and IT Director of the Ministry of Science, Technology and Environment, in charge of the Vietnam National E-Commerce Project
- Professor M. Abdus Sobhan, Executive Director of the Bangladesh Computer Council, and main author of the *Information Technology Act 2000*
- Dr. Anir Chowdhury, organizer of TechBangla and TechTransfer 2000: North American Convention



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