

Matching Skills and Jobs

Tashi Dema

There are jobs, and there are people, and they need to be brought together. They need financial support. After learning about the mismatch of jobs that were available in the market, and the skills that technical graduates possess, a fibre optic specialist at Bhutan Telecom left his comfort zone to take up the opportunity afforded by the gap.

Rinzin Dorji, 42, from Yangneer in Trashigang, started a company to lay power transmission lines, with an entirely Bhutanese team, in December 2016. Investing his gratuity of more than Nu 800,000, and the Nu 200,000 he saved by working for private firms, he started the company to create employment for young vocational graduates, and to take up the technical works available in the country.

Operating with a partner, 45-year-old Jigme Thinley, his schoolmate and someone he looked up to as a brother, the company is laying conductors for tower erection and fibre splicing in Bjemina, Thimphu, and erecting telecom towers in Gangtoe, Wangduephodrang, and Gasa. “I asked Jigme to join me as I needed someone to help me with the office work,” Rinzin said. “I am always in the field and I needed someone to handle the office work.”

Called TaagShing Gayd Network Cable Solutions, the company employs about 30 youths, mostly technical graduates from vocational training institutes, Jigme Namgyel Engineering College (JNEC), and College of Science and Technology. The company lays conductors, erects towers, and splices fibres.

Rinzin said that, with the many youths who graduated from technical institutes in the market with vocational skills, but without jobs and money to lead or start a business, he realised that there was a business opportunity. He could employ them as well as farmers during the off-season.

Both Rinzin and Jigme say starting a business is not as easy as people may think. They say they need cash advances to meet the demands of their employees who work in the forest and to provide them food rations. While they assumed there were credit facilities available for business, it was not so easy to get loans. “Without access to loans, all great plans fail,” Jigme said.

Although they wanted to apply for the priority sector lending, they could not since bank officials were not sure if they fell within the right category because the PSL loan is mainly for agriculture.

They estimate that about 30 percent of youths have a problem of substance abuse. Lack of patience among youths is also a challenge for the company, as most demand shares from the company’s profits, after working a few months. The labour law mandates payment of saving and insurance schemes and provident fund, but paying this after the youths have worked just a month or two becomes difficult.

There are interlinked challenges, and one main problem is not receiving payment from clients. The private company has to take on work as a sub contractor and faces cash shortage because it does not receive regular payment. Sometimes even the main contractor does not get paid on time so they are cash strapped and unable to pay their staff.

Considering themselves as being successful, Jigme Thinley said that not giving up and holding on would bring them success. “We just have to get through this phase and then we would become comfortable.” The company currently estimates earnings of Nu 3 to 4 million every six months.

Their only regret is the company’s inability to employ women, because of the labour-intensive work conditions, weather and locations, which are mostly in the forest where workers have to camp and stay for months. “We are working on how to employ women,” Jigme Thinley said. Rinzin Dorji explained that, with expansion, the company could take on substations in future and that would provide jobs suitable for women.

The entrepreneurs say they see a bright future, as they expect mega hydropower projects to start in another seven to eight years. “We intend to employ more than 300 youths in the future,” Jigme Thinley said, “but it will all depend on the economy of the country.”

The bottomline is that the company is optimistic about the future.

iHUB Incubates Employers

An apartment on the fifth floor of a building in Thimphu town is bustling with activity. Twelve young entrepreneurs work closely with 27-year old Tashi Wangdi who rented the small and cosy apartment, which now has a regular flow of visitors.

Tashi Wangdi rented the apartment to run as an incubation for start-ups and entrepreneurs in 2017, after quitting his job in CIO Academy Asia in Singapore. The young entrepreneur said that, having worked for Bhutan Chambers for Commerce and Industry (BCCI) and CIO Academy Asia in Singapore, he realised that aspiring entrepreneurs needed incubation.

Called iHUB, the centre mentors young entrepreneurs, training them to make presentation slides, develop business strategies, and pitch ideas for investments. The hub provides a digital platform for the entrepreneurs by providing co-working space, common network, Internet services, and other office assets.

“I realised that Bhutan can be a knowledge hub in the region to train the young entrepreneurs,” Tashi Wangdi said. “The labour ministry trains 2,000 to 3,000 youths every year in various entrepreneurship, but there is no follow-up. I thought starting iHUB was necessary to fill the gap and facilitate those start-ups and entrepreneurs.”

Tashi Wangdi said that while Bhutanese youths have innovative ideas, they need guidance and mentoring to hold on to their ideas. “iHUB brings in experts and help them to write business proposals, develop strategies and make presentations.”

Young entrepreneurs come up with the business ideas at the centre, which has helped 20 start-ups so far, of which six are already in the market. “The businesses are picking up and some are doing great,” Tashi Wangdi said. The most popular ones include Green Vibes, a food and vegetable smoothie start-up and Happy Delivery, a delivery van that takes household necessities to homes.

The other start-ups are Sadone Design (a start-up into the development of Thangka and Archiving), Druk Digital Ads (an advertisement start-up in the local city), AtoZ (a platform to sell classified products), DrukKitchen (an online grocery shop), Chechay (a sanitary pad start-up), two waste management projects, R Square Project and Planet Plastic, NW Audio Visual (an audiovisual production), Tshong Online (an e-commerce platform) and iTravel (a travel and tourism industry).

Tashi Wangdi explained that iHUB started with a budget of Nu 22,000, which he crowdsourced from friends, and equipped it with furniture, which he took on credit. “I repaid it by developing websites for the owners.”

It survives by charging the clients Nu 500 a month to share the virtual space. iHUB provides entrepreneurs with a free mentor and invitations to attend workshops and training. It charges Nu 1,000 a month for co-spacing with free Internet, working space, conference, printing facilities, free mentor, training and workshop.

The shared cabin facility costs Nu 2,000 a month, where the young entrepreneur shares all the office benefits and an individual cabin. It also depends on events, workshop and supports. “In the long run, I have equity shares with the enterprises and have received Nu 15,000 as the first share from Happy Delivery,” Tashi Wangdi said.

Tashi Wangdi said that starting up an incubation centre has not been easy, as government officials do not take young entrepreneurs seriously. “The more serious problem is the replication of our work,” he said, citing economic affairs ministry’s start-up centre and Druk Holding and Investment’s (DHI) accelerator programme as a replication of iHUB’s work. “Government agencies should instead, support the private sector.”

He said there is a need for government and corporate agencies to collaborate and work together with the private sector so that there is no wastage of resources and duplication of work. “We had a founder’s roundtable last month and that was a challenge all entrepreneurs cited,” Tashi Wangdi said.

He said there is a need for international exposure for the young entrepreneurs, by sending them on education tours. “Many entrepreneurs are of the view that in most promotional tours made outside, there are only a few people from the business, and more of vacation for the officials working in the agencies.”

He explained many young entrepreneurs are of the view that most study tours are for the officials instead of for artisans.

Tashi Wangdi said that the entrepreneurship journey has been tough and at times lonely, as his single mother and older brother did not see it as a full-time job initially. That changed in April 2018, after Tashi and six other young entrepreneurs received an audience with His Majesty The King.

According to Tashi, this special recognition one year after he opened iHub inspired him, and also helped change the mindset of his family. His take-away from the audience was that ICT is the reality which connects the world today. His Majesty also commanded that the entrepreneurs must help young Bhutanese who are interested in taking up such initiatives.