

Local companies play a big role in economic development

Reazul Haque Chowdhury, CEO of Runner Automobiles, says at The Daily Star's The Chief Executive Show powered by Marico

DWOHA CHOWDHURY

With a long and successful career at the top of several multinational companies (MNCs), Reazul Haque Chowdhury took the helm of Runner Automobiles in November 2018.

As managing director and chief executive officer (CEO), Chowdhury is now determined to sail the company to new horizons.

While most other corporate personalities would prefer to stick with MNCs in order to sustain their careers, Chowdhury rolled the dice when he took up his position with Bangladesh's leading motorcycle manufacturer.

He thinks many local companies have already pulled up their socks and prepared themselves for the long run.

However, these companies still have a long way to go, Chowdhury said.

When one compares the sizes of local and multinational corporations, it seems that domestic firms contribute heavily and play a very vital role in economic development.

"And so, MNC professionals like myself have a role to play in developing local companies for the betterment of the nation," he added.

Even though local corporations now operate under a professional structure, there are still cultural differences between MNCs and their domestic counterparts.

The MNC culture abroad took decades to

build but local companies are just now starting to develop a proper corporate culture.

There are advantages of working with local companies though, such as faster decision making and ability to take risks as needed to further the business.

"But in MNCs, there are lengthy protocols to follow," Chowdhury said.

Runner Automobiles, the country's first manufacturer and exporter of motorcycles, began its journey in July, 2000.

The company made its trading debut on May 21 last year with an aim to survive the long run while maintaining compliance.

Runner Automobiles currently exports two-wheelers to several international destinations. "Soon, many local companies will flourish as Bangladeshi MNCs," he added.

Chowdhury also shared his journey on becoming a CEO.

"We were the post-Liberation War generation and had no particular ambition. But I was fortunate to start my career with British American Tobacco (BAT), which I consider a resource factory," he said.

During his 10-year stay with the BAT, Chowdhury quickly ascended the ladder before joining Unilever as its customer management director.

The lateral move to Unilever was a unique opportunity for Chowdhury as it led to the realisation of his dream to be a CEO.

"The most important part of my career



Reazul Haque Chowdhury

was my time with the good people at the BAT and Unilever. I am here today due to their contributions to my career," Chowdhury added.

The journey towards becoming a CEO is never defined. Instead, people must have a solid plan in mind and take things one step at a time, according to the managing director.

"Never compromise on learning when building your foundation, which is the first four or five years of your career. If you do, survival will be tough," he said.

When making a switch from any company, Chowdhury follows a simple principle.

"I ensure that I leave my post in the most successful position. I never switched because I failed."

After the BAT and Unilever, he joined Reckitt Benckiser as managing director for their Sri Lankan operations in 2008.

Even though a civil war was raging in the country at the time, Chowdhury took the risk by leaving his comfort zone.

He believed that this was an integral part of his future and that such courage is a key trait for leaders.

Chowdhury acted as managing director of Reckitt Benckiser from 2008 to 2016 for its Sri Lanka, Bangladesh and Thailand cluster. Prior to joining Runner Automobiles, he was the general manager for South Asia at Avery Dennison RBIS.

Being in general management usually entails the same duties regardless of the company.

"But the challenging part is to learn the trade secret of each industry you enter," he said, adding that he knew nothing about automobiles before taking up his current position.

"Yet I took the challenge. Those who learn fast will never be in trouble."

There is no defined work for a CEO other than playing a good leadership role.

A CEO leads his or her company through various challenges, ensures business continuity

through regular tasks while remaining focused on the wellbeing of his own people.

Robert M. Rosenberg, former chairman and CEO of Dunkin' Donuts, once said being a CEO was like being a sailboat captain who enjoys times of calm before being called in to tackle moments of sheer terror.

And as managing director and CEO, Chowdhury is now tasked with leading the company through all the economic uncertainty caused by the ongoing coronavirus pandemic.

The current crisis is an unprecedented situation that the country was not prepared for but Runner Automobiles decided that

the employees' wellbeing comes before the business, according to Chowdhury.

With the country having entered a nationwide general holiday on March 26 to curb the spread of Covid-19, there was no demand in the market until the shutdown measures were removed two months later.

And so, the company began to plan for the future to ensure its survival.

"We assured our employees that there would be no job cuts. I believe that whatever the company is doing for them, they'll try to give it back to the company," Chowdhury said.

The pandemic has been a great opportunity as well though as local businesses have realised that they can operate from home.

Even cars and motorbikes can be sold without showrooms, thanks to the advent of online retail platforms.

"These lessons will help reshape the future of the company," he added.

Experience has no value without knowledge but the same is true in reverse when it comes to negotiation skills.

Any approach to negotiate with different stakeholders should vary depending on what the moment calls for.

"And this understanding comes through experience," he said, adding that both parties must "win through discussion".

These days, many consider building a group of followers but Chowdhury believes that the CEO's most important role is to build a resourceful team without favouring anyone in particular.

"Without a strong team, even the world's best CEOs can't deliver. The vision and strategy of a CEO are to be executed by the team, and that's enough followership for me", he said.

An organisation is like the human body, each part is equally important.

Modern day organisations are interdependent-interconnected and all functions must be performed as efficiently as possible to make the company successful.

As for CEOs, empathy and passion are the most important attributes one could have alongside a love for the job, Chowdhury added.



There is no defined work for a CEO other than playing a good leadership role. A CEO leads his or her company through various challenges, ensures business continuity through regular tasks while remaining focused on the wellbeing of his own people

Floods destroy advance winter crops

3.49 lakh farmers in Bogura, Rangpur in distress



Heavy downpours in Bogura, Rangpur and Dinajpur regions led to fresh floods that damaged crops such as paddy, peanuts and winter vegetables resulting in a price hike in the markets.

MOSTAFA SHABUJI, Bogura

A fourth spell of floods in the Bogura region and a third spell in Rangpur have devastated 35,454 hectares of crops, including advance winter vegetables, according to the Department of Agricultural Extension (DAE).

Heavy downpours in these regions led to flooding which ultimately damaged the crops, resulting in a price hike in the kitchen market, DAE officials said.

In Bogura, floods damaged a total of 1,804 hectares of crops worth about Tk 17.07 crore, affecting 15,370 farmers.

Abul Kasem, a farmer of Kalu Danga village under Bogura's Gabtali upazila, said river water

overflowed and inundated his 10-bigha aman paddy field in September.

"I spent Tk 1.20 lakh for this cultivation and lost everything after flood hit four times in this area," he said.

Nannu Mia, a farmer of Baghopara village under Bogura's Sadar upazila, said he has been trying to cultivate chili on 20 decimals of land since August.

"But I failed every time, due to incessant rain. I lost Tk 6,000 on every attempt," Mia added.

"The Karatoa river flooded my eight bighas of aman paddy and one bigha of banana in the last week of September. Although the flood water has receded, it washed away everything," said Khaja Mia, a farmer of the Milkipur village

under Bogura's Shibganj upazila.

"Now I have to count losses of Tk 2 lakh due to the recent floods," he added.

A dam on Karatoa river broke in the last week of September due to excessive water pressure, said Zillur Rahman, a farmer of Khalsi village under Gaibandha's Gobindaganj upazila.

"The flood washed away my five bighas of aman paddy. I lost everything I had invested for this season. Now, I have to take loans to bear my family expenses," Rahman said.

In Joypurhat district of Rajshahi, a fourth spell of flooding damaged a total of 70 hectares of cropland worth Tk 21.8 crore, affecting 1,113 farmers in the process.

PHOTO: MOSTAFA SHABUJI

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Ecneec approves revision of two projects, cost up 29pc

REJAUUL KARIM BYRON

The government yesterday revised the cost of two projects upwards by 28.72 per cent as perennial problems of complexity in land acquisition and frequent changes to project directors continue to delay construction and raise expenditures.

A meeting of the Executive Committee of the National Economic Council (Ecneec) chaired by Prime Minister Sheikh Hasina approved the revision of two projects and gave the go-ahead to a new one, involving a total of Tk 5,189 crore.

The Sonapur (Noakhali)-Sonagazi (Feni)-Joraganj (Chattogram) Road Development Project has seen the second revision. The initial cost of the project was Tk 172.65 crore and now it has gone up by 58.37 per cent to Tk 293.05 crore.

The cost revision is mainly because of the increase in the expenditure on land acquisition by Tk 107.83 crore. Once completed, the road would establish a secure and congestion-free road transport communication in Noakhali, Feni and Chattogram, the planning ministry said in a document.

The project is expected to complete by June 2021. The first revision of the Elega-Hatikamrul-Rangpur Highway saw its cost

soar by 40.02 per cent.

The 190km highway would be converted into four lanes under the project. The project would improve the country's connectivity with the South Asian Sub-regional Economic Cooperation (Sasec) corridors 4 and 9, the Asian Highway-2, the Bimstec-2 and the Saarc Highway Corridor-4.

Now, the project would cost Tk 16,662 crore, up from Tk 11,899 crore initially. The deadline for the project is December 2024.

The compensation for the acquired land has increased by three folds as per the land acquisition law of 2017. An additional 127 hectares of land would have to be acquired to construct an interchange in Hatikamrul. As a result, the cost for land acquisition would go up by Tk 2,253 crore and the land settlement cost by Tk 226 crore, the ministry document showed.

The project would improve the connectivity of the country's northern districts with the capital city.

The Ecneec approved a new project: Improving Infrastructure and Road Safety in Dhaka North City Corporation. The project would aim at developing the key roads of the city in a planned manner to make traffic movement easier and reduce congestion.

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Invest in mutual funds

BSEC chief advises novice investors

STAR BUSINESS REPORT

Prof Shibli Rubayat Ul Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC), yesterday advised general stock investors to put their money into mutual fund units, explaining that those have huge potential.

"If you have no accounting knowledge but are interested in investing into the market, then you can choose mutual funds," said the chief of the stock market regulator.

Mutual funds pool money from many investors and channel it into securities such as stocks, bonds and other assets. Once profits are logged, the fund manager disburses it among the unit holders.

"We are trying to popularise mutual funds by ensuring discipline in the sector," Islam said, adding that the mutual funds sector has the ability to provide dividends of up to 10 to 18 per cent.

His comments came during the launching of "Amar Taka", a web portal providing features on savings, investment, banking sector, stock market and tax related



issues, at the office of the Bangladesh Institute of Capital Market (BICM).

If people have savings, then they will need to plan how it will be invested so that they can earn a good return; so financial literacy is imperative, said the BSEC chairman.

Investors will have to realise that if they cannot earn enough money from the banking sector then they need to move to the stock market, said Islam.

When they cannot earn money from investing in shares, then they need to again move towards mutual funds or bonds, he said while addressing as the chief guest of the meeting.

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