

Achievement is bigger than success if meaningful things done for society

IPDC Finance's Managing Director and CEO Mominul Islam says while sharing his thoughts at The Daily Star's The Chief Executive Show powered by Marico

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Becoming a CEO is one of the highest forms of personal success in the corporate world. However, the important question is how to use this position to leave a lasting impact on the society.

"Only a few CEOs will be remembered for transforming their institution and that is called an achievement," said Mominul Islam, CEO of IPDC Finance.

In any leadership position, one can only think to have achieved something big when he or she does really meaningful things for the society, added Islam, who has led the country's first non-bank financial institution (NBFI) since January 2012.

Founded in 1981, IPDC began facing difficulties to sustain itself by 2008 and it was at this time when Islam came on as deputy managing director.

"I was the only one who believed that IPDC could be salvaged," he said.

"So I stayed back even though many others, including the CEO at the time, left," Islam added.

According to his own beliefs on success, Islam has reason to celebrate his achievements as CEO of a fast-moving company with 881 employees across 12 branches nationwide.

IPDC's loan portfolio stood at Tk 5,110 crore while its deposits totalled Tk 5,100 crore as of September this year.

Just like the book 'Unlearn: Let Go of Past Success to Achieve Extraordinary Results' by Barry O'Reilly, Islam believes it is wrong to get hung up on past success, rather people should always aim to take on new challenges.

Since small local firms face different challenges compared to multinational corporations, IPDC introduced a few tech-based products to help address some of these issues.

Besides, firms should bring in new people from different industries and introduce new products to the market while creating a better business environment for the customers, Islam said.

"IPDC is working with a vision to become the most passionate financial brand in the country with a special focus on youth, women and underserved areas," he added.

Financing for small and medium enterprises now also gets the utmost importance as all local lenders are now trying to reach people of this sector even though they traditionally never cared about these customers before.

And even though the financial sector has the power to mobilise resources required to change the economy of a country, the sector is mostly bureaucratic, traditional and considered as naysayers.

"There we saw an opportunity to break the traditional approach towards communication with our customers," the CEO of IPDC said.



Mominul Islam

The NBFI has recently introduced a blockchain based digital supply chain finance platform and can now finance suppliers or distributors without collateral.

For any industry, the key factor for success is reaching the segments of customers that remain unserved.

To do so, Islam believes that one needs to collaborate with other market players so that it becomes a win-win situation for both firms.

While most financial institutions keep a watchful eye on loan disbursements, revenue and profit, IPDC is more customer-centric since its gauge for success is measured by the number of lives changed and employment generated.

"Once we started focusing on the number of customers served, the difference between large and small customers disappeared and everyone started getting equal importance," Islam said.

IPDC also embraced magenta as its brand colour since it represents the company's

vibrant approach. Their brand tagline -- Jago Ucchashe -- is also quite unique.

During IPDC's transition to its present day glory, the CEO had the all-important job of leading the institution from the front.

"Over the last four or five years, I always wore something magenta. People even started saying that I am a flamboyant person whose appearance is not like a financial institution's CEO."

Islam said he did this because he believes it is important for CEOs to take their brands to heart.

Islam went on to say that while teamwork is of paramount importance, the CEO needs to know how to lead in order to bring about bold transformations.

While recently conducting a course on design thinking at MIT, Islam and his team designed a product on an online mentorship programme.



To him, mentorship is very important at every step of a career.

Be it a young executive or the CEO, from the management to trainees need a supervising senior and separate mentor to help develop his vision, courage and mental fortitude.

Islam was born and brought up in Jhainaidah and completed his HSC from Jhainaidah Cadet College in 1994.

He then came to Dhaka and joined a coaching centre, where he met Shehzad Munim, managing director of British American Tobacco Bangladesh.

At the time, Munim was enrolled in the Institute of Business Administration (IBA)

at the University of Dhaka while Islam was seeking admission to the Bangladesh University of Engineering and Technology.

However, Munim convinced Islam to join his IBA department instead.

After completing his BBA, Islam started an internship with American Express.

"As people say, a first job is like a first love. Truly American Express gave me a lot, took risks on me and even sent me to London for Six Simba Black Belt training in 2001 while they were having a hard time," he said.

Later in 2006, when American Express was leaving Bangladesh, Islam decided to stay in the country and joined Standard Chartered Bangladesh as manager of operational risk and service quality but he served only six months in the position as the lender wanted to send him abroad.

Islam then joined IPDC as head of operations and technology in April 2006.

In 2008, when he was to lead IPDC, he did not have the 12 years of experience required and had to lead as deputy managing director until December 2011.

After becoming CEO, he had to complete his masters as new regulations strictly stated that a CEO must have a post-graduation degree. And so, he received a master degree in economics in 2017.

To him, in an industry like the financial sector, ethics is very important and long term sustainability is difficult if someone does not follow ethical culture within the institution.

"It's always from the top. The CEO's behavioural pattern, attitude and standard of ethics are always reflected within the institution," he said.

"In IPDC, we successfully built a family like culture even though we've grown nine times bigger in the last five years. We are retaining our family like culture, no closed doors anywhere and zero tolerance in integrity.

"Sometimes you have to look forward. Small visibly harmless behaviour may create large problems and so, a CEO must remain aware," he added.

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Vegetable prices cool off on winter harvest

STAR BUSINESS REPORT

Vegetables prices have started to cool off in the kitchen markets easing pressure on the wallets of consumers thanks to the arrival of winter harvests.

For instance, consumers can buy red amaranth, a popular leafy vegetable, at cheaper rates now than a month ago. Its prices fell 43 per cent to Tk 15-20 each kilogram at markets in Dhaka yesterday from Tk 20-30 a month ago, according to data of the Department of Agricultural Marketing (DAM).

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ANISUR RAHMAN

A trader sorts out his vegetables, which arrive on the truckloads every day at the wholesale market of Karwan Bazar to be circulated around the capital. The photo was taken yesterday.

Bangladesh now a development model

Says Turkish ambassador

UNB, Dhaka

Turkish Ambassador Mustafa Osman Turan has said his country wants to make an increased investment in Bangladesh and raise the bilateral trade volume through product diversification.

Bangladesh has a very bright future and its economy is growing fast like Turkey, he said.

"Turkish investors are keen to invest in Bangladesh as it offers attractive incentives for foreign investors," he told news agency UNB in an interview at his office.

The envoy who came to Bangladesh just before the Covid-19 outbreak said a prominent Turkish company will invest \$100 million in the liquefied petroleum gas sector in Chattogram. "That will be an initial investment."

Turan said improving bilateral trade, boosting investment in Bangladesh and enhancing cultural and people-to-people ties will be among his priorities during his tenure in Bangladesh.

"As an envoy, there's always a desire to do something more," he said, adding that he is lucky to see the positive atmosphere in place created by his predecessors to take forward the relations to a new height.

"We're happy that our economic



Mustafa Osman Turan

and trade relations are improving," said the envoy, who also served in Italy, Albania, North Macedonia, Kosovo, Austria, Afghanistan and Belgium.

The Turkish envoy said they buy a lot of jute products from Bangladesh and will explore other areas saying the two countries can always diversify their trade.

"Bangladesh has a very strong pharmaceutical industry and a growing IT industry," he said, adding that the agro industries, light-engineering, services sector, tourism and health sectors are some promising areas of cooperation.

Around \$1 billion worth of trade takes place between the two nations every year and scope is there to increase it further, he said.

The bilateral trade volume in the first 10 months of the current year stood at \$754 million, which is equivalent to that of 2019, he said.

"That's good news indeed! We kept the same level of trade despite the pandemic where other countries are experiencing a significant drop in their trade volumes. This year, the trade balance is in favour of Bangladesh as Bangladesh is selling a lot of jute products to Turkey."

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GLOBAL BUSINESS

Japan unveils \$708b in fresh stimulus with eye on post-Covid growth

REUTERS, Tokyo

Japan announced a fresh \$708 billion economic stimulus package on Tuesday to speed up the recovery from the country's deep coronavirus-driven slump, while targeting investment in new growth areas such as green and digital innovation.

The new package will include about 40 trillion yen (\$384.54 billion) in direct fiscal spending and initiatives targeted at reducing carbon emissions and boosting adoption of digital technology.

Policymakers globally have unleashed a wall of monetary and fiscal stimulus to prevent a deep and prolonged recession as the coronavirus closed international borders and sent millions out of work. In the United States, a \$908 billion coronavirus aid plan is currently under debate in Congress.

In Japan, the pandemic has forced the government to put its fiscal reform agenda on the backburner, despite holding the industrial world's heaviest public debt burden, that is twice the size of its economy.

"We have compiled the new measures to maintain employment, sustain business and restore the



REUTERS/FILE

Japanese Prime Minister Yoshihide Suga looks on during a news conference in Tokyo.

economy and open a way to achieve new growth in green and digital areas, so as to protect people's lives and livelihoods," Prime Minister Yoshihide Suga told a meeting with ruling party executives.

The package, approved by cabinet on Tuesday, would bring the combined value of coronavirus-related stimulus to about \$3 trillion - roughly two-third the size of Japan's

economy. Suga said the fresh stimulus will boost Japan's gross domestic product (GDP) by around 3.6 per cent.

Japan's economy, the world's third-largest, rebounded in July-September from its worst postwar contraction in the second quarter, though many analysts expect a third wave of COVID-19 infections to keep any recovery modest.

The potential impact of Brexit without a trade deal

REUTERS, London/Brussels

Britain and the European Union are seeking a post-Brexit trade deal, with failure likely to result in increased chaos in mutual trade, financial markets tumbling and huge economic costs.

Here are some of the potential pressure points of a failure to reach agreement on trade.

Investors and banks have long predicted a trade deal would be done, so a no-deal would hit the British pound, foreign exchange traders say.

But investor sentiment was hit by the sides saying on Saturday that there was still no agreement covering annual trade worth nearly \$1 trillion, and sterling has fallen against the US dollar since then.

The shock result of Britain's referendum on leaving the EU in 2016 sent the pound down 8 per cent against the dollar, its biggest one-day fall since the era of free-floating exchange rates began in the 1970s.

In the case of a "no deal" on trade, Britain would lose zero-tariff and zero-quota access to the European single market of 450 million consumers overnight.

Britain would default to World Trade Organization (WTO) terms in its trade with the 27-state bloc. It would impose its new UK global tariff (UKGT) on EU imports while the EU would impose its common external tariff on UK imports. Non-tariff barriers could hinder trade, with prices widely expected to rise for British consumers and businesses

Borders risk disruption, especially the main crossing points, with experts saying shortages of certain foods are possible in Britain as it imports 60 per cent of its fresh food, with disruptions in British lamb exports to the EU also possible.

Any disruption would be felt most keenly by sectors that rely on just-in-time supply chains, including autos, food and beverages. Other sectors likely to be affected would include textiles, pharmaceuticals, and chemical and petroleum products.

The EU is Britain's biggest trading partner, accounting for 47 per cent of its trade in 2019. It had a trade deficit of 79 billion pounds (\$104.86 billion) with the EU, a surplus of 18 billion in services outweighed by a deficit of 97 billion pounds in goods.