

World's biggest startup? Samsung Electronics to reform corporate culture

REUTERS, Seoul

Samsung Electronics Co Ltd, the world's biggest maker of smartphones and memory chips, announced on Thursday that it plans to adopt a corporate culture akin to a startup, seeking to become more nimble as growth slows.

Samsung's executives will sign a pledge to move away from a top-down culture and towards a working environment that fosters open dialogue.

The flagship firm of South Korea's dominant conglomerate will also reduce the number of levels in its staff hierarchy and hold more frequent online discussions between business division heads and employees.

"We aim to reform our internal culture, execute as quickly as a startup company and push towards open communication and continuously

innovate," it said in a statement.

The pronouncement is the latest among sweeping changes attempted at a time of crisis by the conglomerate and carries echoes of a 1993 exhortation by Samsung Group patriarch Lee Kun-Hee to executives to "change everything but your wife and children".

Hurt by a rapid decline in smartphone profits and the absence of new businesses to drive growth, Samsung has been under pressure to reform its military-style working culture to foster innovation.

Some current and former employees say it will be difficult for a company like Samsung, which has global headcount of more than 300,000, to transform itself. Analysts also say there is the risk of Samsung losing its edge as a fast-execution hardware company by attempting to change its ways.

Lee has been hospitalised since a 2014 heart attack, and the group is in the midst of a transition to control by his son, Jay Y. Lee.

Other moves in recent years to ease a rigid corporate culture include flexible working hours, a loosening of dress code requirements for weekend work and less pressure on employees to attend after-work drinking sessions that have long been a staple of Korean corporate life.

Samsung said it will also cut down on unnecessary internal meetings and simplify reporting procedures in order to improve productivity and offer training to employees to strengthen their "winning spirit".

It will also reduce unnecessary overtime and weekend work and push employees to spend time with their families or take advantage of learning opportunities.



Christoph Voegeli, general manager of Radisson Blu Dhaka, poses with the Silver Certification awarded by Earth Check for the hotel's commitment to the environment. Earth Check is the world's leading scientific benchmarking certification and advisory group for travel and tourism with more than 1,300 clients in over 80 countries.



An attendee tries an Oculus-powered Samsung Gear VR headset during an annual innovations show of French telecom operator Orange, in Paris.

Mitsubishi to post first net loss

REUTERS, Tokyo

Japanese trading firm Mitsubishi Corp said on Thursday it would post its first ever annual loss in the year to March 31, totalling 150 billion yen (\$1.33 billion), hurt by massive writedowns from a slump in commodities.

Japanese trading firms, like major international oil and mining companies, have been caught off-guard by steep falls in the prices of goods from oil to iron ore as China's economic growth has slowed.

Local rival, Mitsui & Co Ltd, on Wednesday predicted the firm would post its first net loss since it was established in 1947 after the slide in energy and metal prices forced it book 260 billion yen in writedowns.

European banking supervisor urges banks to re-think business model

AFP, Frankfurt

Low interest rates and exposure to substantial amounts of bad debt have severely weakened Europe's banks, and should cause them to re-evaluate their business models, the region's banking supervisor said Wednesday.

"Such challenging times are also good opportunities for the banks to review their business models, to reassess the sustainability of their models," said Daniele Nouy, president of the Supervisory Council at the European Central Bank.

"And I believe that they have room for manoeuvre," she told a news conference.

"We see the adjustment of business models as the biggest challenge for the European banking sector," continued Nouy, who has been in charge of the supervisory authority since it was set up in 2014.

She noted that cost-to-income ratios were still relatively high.

"They could go down, banks could be more efficient. Many are already working on

this," Nouy said.

Digitalisation provided a new opportunity for banks.

"Many customers would like to receive banking services through digitalisation. This is also helping to be more efficient and to have lower cost-to-income ratios," she said.

Against a backdrop of low interest rates, a weakening of the global economy, ailing emerging economies and plunging oil prices, "many investors worry about the ability of banks to adjust their business models and sustain their profitability," the banking supervisory chief said.

Tighter banking regulations in recent years have forced banks to boost their liquidity buffers.

But this year, there were no plans to tighten capital requirements still further significantly, she promised.

Europe's new sole banking supervisory authority, set up within the European Central Bank in November 2014, is directly in charge of the supervision of 129 of the region's biggest banks.

Turning guerrilla fighters into entrepreneurs

BBC News

Former guerrilla fighter Gladis Giraldo says she ultimately realised that violence was not the answer.

Now 38-year-old, she spent 12 years serving with left-wing Colombian rebel group the Revolutionary Armed Forces of Colombia (Farc).

Giraldo, who left Farc a decade ago, remembers with sorrow the horror of the battlefield.

She says she joined Farc - which is on US and European lists of terrorist organisations - as a teenager because of a lack of other opportunities, and after guerrillas one day stopped at her house to eat.

But eventually she decided that what she was doing was wrong.

"Your conscience grows and you realise it's not the best way," says Giraldo. "[And] when you leave you regret everything."

The problem for Giraldo was that after leaving Farc, who would employ her?

"Most people don't want us [former Farc members] to work for them, because of what we were," she says.

Thankfully for Ms Giraldo a government agency called the Colombian Agency for Reintegration (ACR) helped her pay for sewing and tailoring classes, so she could set up her own business.

Sewing shirts and trousers for fashion shops in Medellin, Colombia's third-largest city won't make her rich, but she is her own boss, and she

doesn't have to hide her past from her employees - seven female relatives.

Set up in 2003, ACR has now helped some 60,000 demobilised Farc fighters, and former members of right-wing paramilitary groups, find employment or set up their own companies.

The continuing work of ACR comes as representatives of Farc (which continues to have a membership of about 10,000 men and women) and the Colombian government are meeting in Cuba to try to agree a peace deal to end more than 50 years of fighting.

If and when a deal is finally agreed, the ACR will have the central role in reintegrating the currently remaining Farc members back into mainstream society.

Ever Osorio joined right-wing paramilitary group United Self-Defence Forces of Colombia (AUC) after Farc fighters killed two of his relatives.

AUC was formed in 1997 as a civilian-led army to fight Farc and other left-wing armed groups, but it soon expanded its operations to include drug trafficking and extortion.

Ever Osorio has rebuilt his life as a coffee grower.

While AUC demobilised nationally in 2008, it gave birth to more recent criminal groups.

Osorio, 51, spent two years with AUC, and says he dealt with "logistics", such as proving information about Farc members and sympathisers, and dealing with mundane tasks such as food preparation.

"I made the mistake of seeking revenge," he says. "The guerrillas killed my uncle and cousin, that's why I joined."

"[But] I didn't see anything good. You see terrible things [in an armed conflict]."

After 24 months with the paramilitary group Osorio pledged to support himself through hard work rather than extortion and violence.

So he fled to where no-one would find him - an abandoned farm high in the Colombian mountains, three hours from the nearest city, and accessible only by a narrow, unpaved road.

As an escape from his past sins, Osorio worked hard to turn the land into a productive coffee plantation.

To help him acquire the necessary skills, the reintegration agency sponsored Osorio to attend classes at the Colombian Coffee Growers Federation.

Osorio has gone on to buy the plantation from its original owner, thanks to a \$19,000 (£13,000) bank loan. He now grows and sells 7,000 kg of coffee beans per year.

Joaquin Calle, 44, is another former paramilitary fighter who has benefited from the help of the reintegration agency.

He was third in command of an AUC battalion which terrorised the Comuna 8 district of Medellin until it demobilised in 2003.

Joaquin Calle has swapped guns for gardening.

For 15 years all he knew was crime, but after the AUC stood down, he set up a street cleaning and gardening co-operative called The Hill of Values.

Calle says: "When we demobilised we said 'hey, what are we going to do to win back the trust of our communities?'. We decided to clean the streets."

Together with 11 other former AUC fighters, Calle recycles the areas's rubbish, and looks after its green spaces.

"Before I lived in fear, fleeing the authorities, trapped by imaginary borders," he says. "With this project I changed completely."

"It has been 12 years since I demobilised, and I have never picked up another weapon."

Prof William Duncan, of Baker University in Kansas, an expert on entrepreneurship and peacemaking, says that the funding provided by organisations such as ACR is vital, as it "gives people alternatives to violence".

However, Zachary Kaufman, international security fellow at Harvard University's Kennedy School of Government says Colombia will still have to "address the underlying problems that caused the conflict in the first place".



WKH Wegapitiya, chairman of Laugfs Gas, and Thilak De Silva, managing director, open the company's relocated office in Gulshan, Dhaka. Laugfs Gas is one of the largest liquefied petroleum gas suppliers in Bangladesh.

Amazon says its female workers paid equally as men

REUTERS, San Francisco

Amazon.com Inc, under pressure from an activist shareholder to disclose its policies on gender pay equality, said on Wednesday its female employees earned as much as their male counterparts, according to a survey it recently conducted.

The disclosure came as US companies face criticism on the issue of pay equality, especially in the male-dominated technology sector.

The Seattle-based online retailer disclosed the results of its study after pressure from Arjuna Capital, the activist arm of investment firm Baldwin Brothers Inc, which has been pushing it to prepare a report on gender pay equity.

Arjuna withdrew its original proposal after Amazon announced the results of its gender pay study on Wednesday.

"We are pleased Amazon is stepping up in response to investor concerns about gender pay equity," said Natasha Lamb, director of shareholder engagement at Arjuna, calling on Amazon to further report on its policies and goals to close the gender pay gap.

Amazon, which estimates that women made up 39 percent of its global workforce and 24 percent of managers as of July, said a review of compensation including both base pay and stock compensation found that women earned 99.9 cents for every dollar that men earned in the same jobs.

The survey, which was conducted by an external labour economist, covered Amazon workers at various levels of the company's organization in the United States.

"There will naturally be slight fluctuations from year to year, but at Amazon we are committed to keeping compensation fair and equitable," the company said in a statement.

The study, which was recently completed, also found that minorities earned 100.1 cents for every dollar that white employees earn in the same jobs. The US securities regulator, the Securities and Exchange Commission, said last week that Amazon should allow shareholders to vote on a proposal on gender pay equality put forward by Arjuna, after the company had sought permission to omit the proposal from its proxy statement.



Gladis Giraldo says she regrets her time as a Farc guerrilla, which was formed back in 1964.