

Discipline is key to organisational growth

Ahmed Reza, country manager of Cathay Pacific Airways Ltd for Bangladesh and Bhutan, says at The Daily Star's The Chief Executive Show powered by Marico

DWOHA CHOWDHURY

When the coronavirus pandemic hit the world early last year, the airline industry was among the first sectors that felt the crisis's impacts as almost every country closed doors to protect itself from the raging pathogen.

However, amid the crisis, a handful of airlines recovered faster than others, and Cathay Pacific Airways is one.

The 85-people team of the airline's Bangladesh operation, led by Country Manager Ahmed Reza, took the risk and kept the cargo flight section intact during the pandemic. As a result, it clocked 65 per cent growth in cargo operations.

"As the passenger operation was closed, our passenger team willingly moved to cargo operation. That's the feeling of respect and ownership in an organisation," he said.

Based in Hong Kong, Cathay Pacific is the fifth largest airline in the world, flying to 200 destinations in 60 countries.

During Reza's long stint at British Airways, his boss once advised him to grow the feeling of owning the organisation, and to do whatever he could do for the betterment of the company.

"That really worked. Even after switching job, that entrepreneurial spirit stays if someone persistently follows that," he said.

The pandemic brought about strategic changes to Cathay Pacific's operation, and it has initiated innovation, especially in cargo sales.

"The airline industry has been affected by the pandemic. We are constantly analysing the market and discussing development," he said.

According to Reza, discipline has



Ahmed Reza



Bangladesh, other stakeholders, and the laws of the land.

Because of the regulatory requirements, he sometimes has to make tough calls.

"In terms of business, we need to think about the cost and the return on investment while making the tough calls."

When it comes to decision-making, Reza discusses with the people at every level so that everyone feels ownership in the decision.

"We value people because they are the most important thing in the business."

"Before discharging any non-performing people, we discuss ways to develop them and give the person scope to improve performance."

Reza had a fascination about the aviation sector from his childhood and had always wanted to become a pilot, but the dream did not materialise for some reasons.

Because of the fascination for

the sector, he started his career with aviation companies instead of going abroad to study.

"The aviation industry is different than any other industries, and one needs to have a passion for it," said Reza, the first local country manager of Cathay Pacific in Bangladesh.

His life was not without challenges. He spent 14 years at British Airways until the company wound up its operations in Bangladesh in 2009.

"At the time, opportunities were slim. But I always focused on self-development, and it resulted in getting me into Qatar Airways the next day British Airways departed from Bangladesh," he said.

From Qatar Airways, he moved to RAK Airways to head its country operations.

"That was a huge position compared to what I was doing before. I took up the challenge even though many discouraged me. The challenges made me stronger and helped me grow."

Reza gives a few tips to newcomers. "One must have a can-do attitude. Decide whether your goal is position-oriented or purpose-oriented."

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"One must have a can-do attitude. Decide whether your goal is position-oriented or purpose-oriented. Think whether you are enjoying the job or not. And grow your skills consistently."

made a massive difference to Cathay Pacific's global operation, turning it into a successful operator over the decades.

"Discipline is a major factor in any organisation to grow, and it is impossible to achieve success in an undisciplined organisation."

"If we say internal discipline, it is about time performance. Everything must be organised, and airline staff have to maintain uniformity."

There must be uniformity in the service, discipline, a chain of command, and respect for each other, said Reza, who has been leading the airline's Bangladesh operation since August 2017.

As the key person of a global conglomerate, Reza needs to ensure the compliance of the company. At the same time, the airline has to follow the rules of the Bangladesh Bank, the Civil Aviation Authority of



GLOBAL BUSINESS

Microsoft says it investigated Gates' involvement with employee

REUTERS

Microsoft conducted a probe into co-founder Bill Gates' involvement with an employee almost 20 years ago after it was told in 2019 that he had tried to start a romantic relationship with the person, the company said on Monday.

Microsoft said it had received a concern in the latter half of 2019 that Gates "had sought to initiate an intimate relationship with a company employee in the year 2000," a Microsoft spokesman said in a statement.

"A committee of the Board reviewed the concern, aided by an outside law firm to conduct a thorough investigation. Throughout the investigation, Microsoft provided extensive support to the employee who raised the concern," the statement said.

The Wall Street Journal reported on Sunday that Microsoft's board had decided that Gates' involvement with the female employee was inappropriate and he needed to step down in 2020, citing people familiar with the matter.

The Microsoft spokesman declined to comment on whether the board had decided Gates should go.

In a statement to the Wall Street Journal, a spokesman for Gates said his decision to leave the board of Microsoft had nothing to do with his involvement with an employee.



Bill Gates

"There was an affair almost 20 years ago which ended amicably. Bill's decision to transition off the board was in no way related to this matter," the statement said.

"In fact, he had expressed an interest in spending more time on his philanthropy starting several years earlier." A spokesman for the Gates Foundation told Reuters it stood by the statement to the paper.

The billionaire, who co-founded Microsoft in 1975 and served as its CEO until 2000, said in March 2020 that he was stepping down from the board to focus more on philanthropy.

Gates and his wife Melinda filed for divorce earlier this month after 27 years of marriage.

EU agrees partial truce with US over Trump tariffs

REUTERS, Brussels

The European Union has agreed a partial truce with the United States in a dispute over US metals tariffs imposed by former president Donald Trump as the two sides start discussions on addressing global overcapacity in steel and aluminium.

The Commission said on Monday it would suspend a proposed hike in its retaliatory tariffs that would have added a number of products from lipstick to sports shoes and doubled to 50 per cent duties on US bourbon whiskey, motorbikes and motor boats.

In a joint statement, Brussels and Washington said that, as allies, they could promote high standards, address shared concerns "and hold countries like China that support trade-distorting policies to account".

The discussions would aim to find solutions, such as on appropriate trade measures, by the end of the year.

The United States will maintain its tariffs of 25 per cent on steel and 10 per cent on aluminium, which also apply to imports from China, India, Russia, Turkey, Norway and Switzerland.

The Trump administration cited US national security grounds as the basis for its metals tariffs - measures that steelmakers such as Thyssenkrupp and Voestalpine have said they



Employees work at a factory of Dongbei Special Steel Group in Dalian, Liaoning province, China on March 16.

PHOTO: REUTERS/FILE

were affected by.

The EU denied that its exports pose any security threat and responded by placing its own

tariffs on 2.8b euros (\$3.4b) of US products, including motorbikes, whisky and orange juice. These will also remain in place.

Next Digital shares halted, jailed owner Lai pleads guilty to illegal HK assembly

REUTERS, Hong Kong

Next Digital Ltd shares were suspended on Monday after authorities froze assets of its jailed owner Jimmy Lai under a new national security law in Hong Kong, while the tycoon pleaded guilty to taking part in an illegal protest in October 2019.

The shares will stay suspended ahead of an announcement by the company about the frozen assets, including Lai's majority stake in the pro-democracy media publisher, Next Digital said.

The move against the Lai's assets has further raised worries about freedom of media and the future of Next Digital, which Lai has been keeping afloat with loans. Next Digital CEO has, however, sought to allay investor concerns saying the frozen assets have no link with the company's bank accounts.

Given this is the first time a listed firm has been targeted under the new security law imposed by China in 2020, it also fuels concerns about the broader investment environment in the Asian financial hub.

Freezing Lai's assets was an important measure aimed at preventing more crimes, Secretary for Security John Lee said, declining to give more details citing ongoing legal procedures.

"It is illegal activities we are dealing with, not press work," the Hong Kong official told reporters.

Lai, a democracy activist and staunch Beijing critic, was sentenced to 14 months in prison for taking part in unauthorised assemblies during anti-government protests in Hong Kong in 2019,



Jimmy Lai

and is among the most high profile arrests made under the security law. He faces three alleged charges under the new law, including collusion with a foreign country.

Lai and nine other activists pleaded guilty in the District Court to charges of organising an unauthorised assembly on October 1, 2019, China's national day, as a trial began on Monday. Lai's guilty plea was widely expected after a similar plea in his previous illegal assembly trial. Sentencing is expected on May 28.

Lai has a 71.26 per cent stake in Next Digital worth around HK\$350m (\$45m) based on Friday's closing share price.

But the freezing of Lai's assets will not affect company operations as the frozen assets have nothing to do with Next Digital's bank accounts, CEO Cheung Kim-hung told the Apple Daily newspaper.

Next Digital runs the influential pro-democracy tabloid Apple Daily.

A senior management source at Apple Daily told Reuters last week, before the asset freeze was announced on Friday, that the group had tried to "firewall" its media operations from Lai's other businesses, but they believed authorities still had ways to "neuter" the paper, without elaborating.

"It's simply a matter of if they want to do it. If they want to move (on us), they'll move," the source said.

Without fresh cash injections, Next Digital can only survive another nine or 10 months, Apple Daily cautioned on Saturday.

A shareholder's loan of HK\$756m, of which HK\$500m had been drawn as of end-September, was an "important source of funding" and may not be available anymore given the freeze, the paper added.

At the time, the group's bank borrowings amounted to HK\$262.3m, repayable within three years and its net cash position was HK\$228.7m.

The paper reported on Friday its Taiwan arm would stop publishing its print version given declining advertising revenue and difficult business conditions in Hong Kong linked to politics. It said "pro-China forces" in Hong Kong were boycotting various advertising resources.

Japan's top bank MUFG forecasts lower credit costs, beats profit view

REUTERS, Tokyo

Japan's top lender Mitsubishi UFJ Financial Group Inc (MUFG) posted on Monday a better-than-expected 47 per cent rise in full-year net profit, after last year's earnings were hit by an impairment charge on its units in Southeast Asia.

Profit for the year ended in March came in at 777b yen (\$7.11b) compared with 528.2b yen a year ago, MUFG said in a statement. That also compared with an average estimate of 708.9b yen from eight analysts surveyed by Refinitiv.

MUFG's profit in the three months through March was 170 billion yen, compared to a 56.1b yen loss in the same period a year earlier, according to Reuters' calculations based on the bank's statement.

Japanese banks have seen an increase

in lending as companies rushed to borrow amid the Covid-19 pandemic, while low interest rates and a shrinking population have eroded their profits. Bank lending in Japan rose 4.8 per cent in April from a year earlier, according to the Bank of Japan.

MUFG, which owns about 20 per cent of Wall Street bank Morgan Stanley, booked 515.5b yen of credit-related costs in the last financial year, up from an initially expected 500b yen. In the current business year ending in March 2022, the lender expects 850b yen in net income compared to the 733b yen estimate of eight analysts, and predicts 350b yen of credit-related costs.

Smaller rivals Sumitomo Mitsui Financial Group Inc and Mizuho Financial Group Inc last week forecast a drop in credit-related costs this year on expectations the economy will recover as vaccination proceeds.



REUTERS/FILE

A signboard of MUFG Bank is seen in Tokyo, Japan on April 3.