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Biman turns 48 years

_By Raquib Siddiqi Date: 16 January, 2021

(Contd. Lead News) : Biman Bangladesh Airlines Limited-the national flag carrier_ has become 48 years old on January 4. Conti-nuing to stay stuck in quagmire of non-growth, the national flag carrier--is in gravest danger. The survival is at stake, if timely pragmatic measures are not taken to improve the situation.

Appropriate measures to remove problems, concerning poor management and manpower situation is a must, apart from deflecting the hit, that it is getting from COVID-19 crisis, to put Biman on right track.

Another year has gone by and added to the age of Biman. Instead of normal operational growth and expansion, the carrier has remained stuck in the quagmire of stagnation, mainly because of lack of planning, neglect and management inadequacies. The carrier is yet to acquire enough organisational and financial strength and capability to get out of poor existence.

Potentials were there and prospect of becoming a vibrant organisation, excelling in regional aviation were great, but unfortunately five decades of mismanagement has made Biman to suffer and to endure limping existence. There is no sign of change in their situation, except through rapid change, the list of CEOs getting unusually longer.

Lack of professionalism

Management and fleet are the two vital areas of any airline and efficiency of both greatly contributes to success. Because of improper management and inadequate and unreliable fleet were troubling the national flag carrier of the country right from its birth. Biman most urgently needed professional management to run the airline professionally, efficiently and commercially.

But Biman is still suffering from inept management, due mainly to frequent change of Chief Executive Officer (CEO) and their lack of professional expertise and free flow of interference. Frequent change of CEO, since its establishment in 1972, has deprived Biman of solid and bold leadership and continuity of management. Different management style of different persons, their varied non-commercial background, levels of their efficiency and attitude to the job are also causing harm to the proper management of the airline.

In most of nearly five decades of existence, the managements that the airline got were, far from the efficient managements it needed. Coupled with deficiency in management not so welcome hold of unions, have made the management of Biman devoid of any vitality. The situation has resulted in weak administration and in-efficient management. There is no sign of any action to lift the management of Biman out of this morass.

It is very difficult to understand the policy of the government in this regard. It is also very difficult to accept that persons concerned in the government in the past and still do not understand that, an airline is a different kind of highly sophisticated commercial establishment and needs specially qualified person to run it. Yet, the government continued to post officers from different non-airline background and that too, for very short period in most cases. No one can dispute that for persons with non-airline background, it will take time to be familiar and conversant with the operation of airline. So, for outsiders, the stay would have been much longer. But that was not the case, the government continued with the policy of frequent change of CEOs.

A look at the history of world airline industry will prove that the policy being followed by the government in regard to selection of CEOs and their duration of stay is totally wrong. The policy has only harmed the interest of Biman.

There is hardly any doubt that survival and success of airline business depends on a number of key factors. Perhaps, the most important is fitness to do business being correctly equipped in terms of management skills, training, marketing strategy, tactics and financial health.

Poor manpower

In service industries like airline, people are the greatest asset. Biman Bangladesh Airlines is suffering from shortage of properly skilled efficient manpower and heading towards serious management crisis, if immediate steps to infuse new blood are not taken. According to a senior executive of the airline, the management level manpower situation is really bad.

In the absence of direct officer level recruitment, the middle management positions-Assistant Manager, Manager and Deputy General Manager-- are presently manned mostly by "unionised promotes". As a result quality of supervision has nose-dived. Close connection of these promotes with the unions is also hampering proper functioning of the organisation.

It may be noted that because of the opposition of the unions, in nearly 50 years history of Biman only about 40 officers in four batches could be recruited. The present vacuum in management is because of that.

Since its birth in January 1972, barring insignificant exceptions, Biman has failed to recruit proper manpower mainly because of disagreement between the management and unions. In early 1980s, the management and unions concluded an agreement on the question of fresh recruitment. The two sides agreed that 35 per cent of the vacancies would be filled by direct recruitment and the rest by promotion from lower level. Unfortunately, the management of Biman has not been able to make the recruitment as agreed, mainly due to opposition from various unions.

This failure has created a serious situation for the airline. For long, main stay of Biman's management was the qualified group of officers that it inherited from PIA. With all of these people have gone on retirement and no back up executive cadre followed, the future of Biman does not look bright. The lack of quality and drive in all aspects of Biman's operation is already evident.

Market share

In 1991, the position of Biman in terms of market share at its home base was far better than what it is today. In that year, Biman enjoyed a share of 57.08 per cent of passenger traffic and 60.45 per cent share of cargo carriage. Over the year, the market share on Biman nose dived to only 24 per cent last year.

The reason for which Biman lost market share to foreign carriers is simple. The airline could not increase its capacity as the market grew. The foreign airlines took the advantage of the situation by providing additional capacity through frequency increase, to meet the growing demand.

In addition to capacity constraints, the airline-for most of the time- did not have dependable international fleet. Technical delays and breakdown on the route became more frequent and regular feature. Apart from frequent delays and breakdown of services, maintenance and operational cost of old aircraft also went comparatively very high.

The irony

After long wait-extending several decades, Biman now has a modern fleet with adequate number of long, medium and short haul aircraft. However, it is irony that Biman now has modern and adequate new fleet, but not enough route to operate these aircraft

For various reasons, originating mainly from wrong policies pursued over the years, despite high growth potentials with strong domestic passenger traffic base, the airline failed to move ahead and exploit the growth potentials. On the contrary, its operation has shrinked and are in disarray.

The national flag carrier of the country has failed to expand its operation. Its route network reached its peak with only 28 international destinations across continents-Asia, Europe, Africa and North America. Instead to further expansion, the network has now depleted to only about 17 international destinations-except UK, all in Asia.

Almost total lack of planning by inefficient management can be blamed for this deplorable situation. A most recent report on the size of pay package and perks of pilots of Biman will further testify about failure of the management, in running the airline properly.

Pathetic situation

Industry insiders consider that current Biman management is the weakest in its history. The efficiency and skill level of critical work force are also below par. So, there was little time to waste in addressing the problem concerning management. Otherwise, it is widely being felt that the huge investment in fleet modernisation will go waste.

Biman has made huge investment in new aircraft. With modern aircraft joining the fleet, skilled and efficient workforce is needed to ensure quality services, efficiency and profitability. But the situation is alarming. The need is immediate corrective action to save the national flag carrier from fatal damage. There is no alternative but to immediately infuse of new blood and intensive training programme to elevate

level of efficiency and improve standard of services.
Due to lack of effort in desired direction-the national flag carrier is still stuck in quagmire of serious basic problems-poor management, unreliable fleet and poor manpower being the three most important.
The problem of unreliable fleet has gone. The first of the three new Dash 8-400 aircraft which Biman procured under the G2G (government-to-government) agreement between Bangladesh and Canada, was most recently inducted to the fleet. The two others will be included in a couple of months.
With the new plane, the number of Biman's aircraft has increased to 19, including four Boeing 777-300ERs, four Boeing 787-8s, two Boeing 787-9s, six Boeing 737s and three Dash 8-400s.
But the current management and manpower situation in Biman is pathetic. There is urgent need for professional management and qualified manpower at all levels. Sooner these come is better for Biman and the country, because poor management and poor manpower will ruin the opportunity.
On top of this pathetic situation, highly negative situation created by COVID-19 pandemic, is posing as a threat to its very survival. To ride over this uncertain volatile period, Biman will need leadership of high category who can plan a safe way out and survive.
This is almost totally idle time for reasons beyond everybody's control. When things are going to be normal is also very much uncertain. Time is ripe for Biman to plan for future operation including a must like-- infusion of dynamic management and efficient manpower. Details must be worked out now, so that implementation can start immediately, when situation permits.