

Leaders of the Corporate World

The Journal is running a series of Interviews with the senior management of the organizations who were awarded the Best Corporate Award-2013 by ICMAB in 2014. The interviews focus on the leadership style and the organization's way of working that has helped it achieved corporate recognition.

Berger Paints was awarded a Best Corporate Award 2013 under the Multinational category. Here **Rupali Chowdhury, Managing Director, Berger Paints Bangladesh, and President, FICCI**, share with the readers, her views on leadership and her opinion on the National Budget 2015-2016.



About Rupali Chowdhury

Rupali Chowdhury started her career with the multinational pharmaceutical and chemical company, Ciba Geigy (Bangladesh) Limited and was Brand Manager while leaving the company in 1990. She joined Berger Paints Bangladesh in 1990 as Planning Manager and during her tenure worked in different departments such as Marketing, Sales, Supply Chain and Systems under different supervisory capacities. Rupali Chowdhury was promoted to the position of Managing Director of the Company on 1 January 2008. She is an MBA from IBA, Dhaka University and completed her graduation with Honors in Chemistry from the University of Dhaka. She is the President of the Foreign Investors' Chamber of Commerce & Industries (FICCI). Rupali Chowdhury is the first female to be appointed as Managing Director of a multinational company in Bangladesh.

What does it take to be a successful leader?

I would say hardwork and continuous improvement with, of course, an element of luck. Luck is important as you have to be there at an opportune moment. However you won't get far without hardwork and the continuous search for improvements.

A leader's ultimate objective is to get the best out of the team - this starts from selecting the team, setting the goals, translating the vision into strategic plan. Ultimately, a leader's success comes from the people. People have different leadership style- autocratic, laissez-faire, democratic. The actual style does not matter in achieving success. Any type of style can take you to success. But what I think is that transparency is important. You must be transparent in all your actions. Only then people

will respect you and then they will go the extra mile for you out of respect. The bigger challenge for a leader is to inject in motivation everyday. More than monetary incentives, matured employees in an organization do their best when they feel motivated in every work. A successful leader knows and understands every individual in his team and motivates them in a way that makes them have a high sense of belongingness.

Berger Bangladesh has the vision to be the most preferred brands in the industry ensuring consumer delight. How do you ensure every employee of the organization is aligned to the vision?

One thing we have is a program where every employee from every department interacts with

sales & marketing. On a regular basis other employees are getting trained to understand our product better. The goal is to make every employee an internal ambassador for the company. Often our customers approach through our employees and it helps if the employees are fully aware of the products and can help out. As a result we are creating knowledge reservoirs within the organization. There is another thing we have recently started with the volume of Berger doubling in recent times and the sales force equally increasing in numbers. I wanted to stay in touch with the new comers. So we have started regular breakfast meeting with young talents. This helps me to be in touch with the people on both personal and company matters. Sometimes we get great ideas out of these meeting and I ensure full implementation of these ideas. I also use the forum to understand how our plans & policies- made by top management- are viewed and implemented to the lowest level of management. I try to be open with all the employees to get honest feedback.

You are the first female managing director of an MNC in Bangladesh. What were the initial challenges you faced when you took over the role?

My biggest challenge as a women faces is during the forming years. I have faced my own share of challenges at that level. Fortunately I joined at a senior level in Berger but the work challenges were steep. My biggest challenge was to overcome the manual system of tracking performance and deriving forecasts. This meant long hours and continuous shift between Chittagong (factory) and Dhaka (Head Office). At times I wondered whether I could continue. However I had no choice if I wanted to work in a multinational, as my husband was based in Chittagong and the number of MNCs in Chittagong were numbered. Finally I thought I will have to bring in changes if I want to make my work smoother. I made a strong proposal to introduce automation and actually got the approval with necessary resources. In those days (early 90s), automation was never accepted readily by management. Many of my colleagues were of the opinion that I wanted to reduce headcount. I really had to blend in with the people and culture to break the resistance. I actually went and played 'karam' with the male colleagues; I had tea and paan with employees who had been serving the company for over 20-25 years. I understood that I had to work through these teams who did not have much exposure to modern ways of working. Later, once all processes were automated and computers were

installed at workstations, I was pleased to see the level of dedication from these same employees. In return they were overwhelmed by the speed and accuracy of their work. My challenges as I became Managing Director were many. The areas I never worked directly were Finance and Human Resources. So I really had to understand and take time to appreciate the processes. In the corporate world, women leaders are few and far between. That is why it is important to speak up. I have seen that once I speak up- which I often do- people take note of my opinions and see me as an equal contributor on industry issues.

As the president of the FICCI, what are your initial thoughts on the National Budget 2015-2016?

I don't think there has been any drastic change in the National Budget this year. There has been some positive moves in the Income Tax allowances. We also welcome the new areas that have come under VAT. However unless the VAT collection process is made simpler, the Government will face huge challenge in reinforcing and collection. Now and again we have heard of online VAT payment; however there has not been any direction on the process of payment.

Over the last couple of years we are also hearing of the new VAT Act. From FICCI, we have been suggesting to the Government to sit with each sector to understand each industry peculiarities. The universal VAT Act will need to cater for specific industry as well to balance between maximizing VAT collection and ease of implementation. One of the areas we raised is the mandate to purchase only from VAT registered vendors. In the absence of an infrastructure that facilitates VAT registration, companies will be forced to purchase from VAT registered companies. It appears that the Government wants to force VAT Registration through this law. In reality, compliant companies will end up increasing cost of production in the pursuit of VAT registered companies, whilst non compliant companies will get away with lower purchase costs from unregistered, low -cost base vendors. This will make the compliant companies lose cost competency.

My final thought on the Budget is the lack of transparency on the actual performance of the budget of the previous years. The Government never shares how much budget has been spent, how much is the carry forward, and what is the newly allocated budget for the upcoming fiscal year. I believe citizens have a right to know the

development budget performance, what has actually been achieved. Otherwise how do we understand and assess the performance of last year and justify the budget for this year.

There have been recent discussions on the fall in FDI (Foreign Direct Investment) in the country. What role do you think the Government should play in enhancing FDI?

I think the first step is to correctly benchmark the FDI for Bangladesh against the right economies. It would not be right to compare with countries like Nepal and Bhutan or even with countries like India or Indonesia. Within the region there are countries like Cambodia, Vietnam or Sri Lanka which we can compare against. The main driver for FDI is the strength of the domestic market. Any FDI assessment will take into account the purchasing power of the country. Another reason is the structure of the FDI inflow. In countries like India, Joint Venture is the main channel of FDI. In Bangladesh there are some JV channels as well as equity inflow. However the main opportunity lies through manufacturing investment. The government has important role to play here through stability in policies. It is important to keep up the commitment to promote policies related to FDI as this concerns international relations. We cannot commit to initiatives and then after a partial investment, withdraw committed facilities because the Government realizes the benefits are not mutual. For greater good of the country and for future FDIs the Government must first do a proper pre evaluation then keep to the promise of any FDI commitment.

From your experience in working with Finance teams, what are the key areas Finance professionals should focus on to assume leadership/general management roles in organisations?

Firstly, Finance persons need to develop empathy towards other departments and other activities. Often finance works with data at the very last stage. Hence they are not fully aware of the thought process or the activities that has happened beyond the numbers. Finance professionals are very black or white. They need to understand the grey bit. Not all actions will lead to direct impacts and there will always be sensitivities around any results. They need to reach across to people, understand product, markets and consumers. The other area, I believe, is getting a grip on MIS (Management Information Systems). Usually finance works through the

systems for the financials. However it is important to understand the MIS of other departments and the KPIs that drive the business performance and how these are linked with the financial performance.

Running large companies is demanding. You have been at the helm of a high growth business over last few years. How do you maintain your stamina and composure?

All leaders get frustrated at times. That is natural. However I believe in the saying 'Tomorrow must be better than today and today must be better than yesterday'. I feel that what is the point of giving up. If a situation is bad what happens if I give up. Will it improve the situation? Will someone do a better job than me? If someone does a better job than me then why I can't I do? Actually, I don't give up so easily. Stamina is something I am born with. I feel I can get involved in many things at one go.

You have been with Berger Paints for 25 years now. What message do you have for the young talents who are changing jobs (employers) frequently in pursuit of something more fulfilling?

One theory is the traditional Japanese thought to work lifetime with an organization. However some people need a change all the time. They are driven by new challenges all the time. New areas keep them motivated. There may be challenges in new roles in same organization. My only advice is not to change for short term. I believe you would need atleast 5 years to really understand a new business and contribute. However you may be a fast learner, may be you are not getting along with your boss or your may be you think career is getting blocked. Whatever the case you need to stay in a role for a minimum tenure. You need to move around different departments and gain other department's confidence and yourself be confident of your understanding of the full business, One should be in at a certain organization to be able to prove and contribute. Otherwise, once you are stamped with a job-hopping image, it is difficult to build a career. I am also not saying everyone should stay in place for 25 years like me! For me there has been a lot of growth and challenge within the organization. In the end I felt I had my personal growth throughout the 25 years. Finally, to me Berger is like an extended family, and there was no desire to move elsewhere.

[Interviewed by Zinnia T Huq, FCMA and Associate Editor, The Cost & Management].