

In face of bankruptcy, union urges Najib to restructure MAS's 'incompetent' top brass
Malaysian Insider
May 17, 2014

Malaysia Airline's (MAS) employees union yesterday urged Datuk Seri Najib Razak to carry out a restructuring programme of the airline's top management, just hours after the prime minister said that it might be too late to save the struggling national flag carrier.

The Star Online reported yesterday that executive secretary Mohd Jabbarullah Abd Kadir said the existing top management "did not have proper experience in the aviation industry, hence failed to play their roles to bring profit for the company".

He told a press conference at the Malaysia Airlines Systems Employees Union yesterday that several other units in the company, such as the human resources, engineering, commercial and sales, were also led by inexperienced and incompetent leaders.

"These people were outsiders who were paid high salaries but they failed to perform. Why do we need them when MAS has its own qualified staff to lead those units?" The Star quoted him as saying.

The English-language daily reported that Jabbarullah said the union also called on the prime minister to look into the MAS's staff shortage issue, which had affected operations.

"Many MAS employees had quit because they could not tolerate the management. Thirty MAS pilots had also quit to join other airlines and this is a big loss for MAS," he said.

Jabbarullah said the union would stage a protest against the plan at the MAS Building in Subang Jaya on May 26 because "we really think that the unit is important to MAS".

Najib yesterday told The Wall Street Journal (WSJ) that it might be too late to save MAS in its current form, following the airline's report that its net loss

had expanded to RM443.4 million in the first quarter, from a net loss of RM278.8 million in the same period last year.

MAS said that the loss was due to missing flight MH370, where it saw high numbers of cancellations and a decline in long-haul travel after March 8 incident.

Acting Transport Minister Datuk Seri Hishammuddin Hussein also said yesterday that Putrajaya would not rescue MAS following the airline's dismal performance.

"Is the Malaysian government offering any assistance to MAS? No," Hishammuddin said during a press conference on flight MH370 in Kuala Lumpur yesterday.

Reacting to MAS's losses, analysts have called for "tough love" from Putrajaya, even to the point of allowing the airlines to go through bankruptcy, as Japan Airlines did a few years ago.

"There will be a line crossed where the government will look at it and ask whether they should declare bankruptcy.

"The only way out is creative destruction – kill the airline and rebuild it from scratch," Shukor Yusof, an independent aviation analyst formerly with Standard & Poor's, told WSJ.

However, the company's employees union chief, Alias Aziz, told WSJ that since MAS is a government-linked company, help from Putrajaya should be the way to go.

"We need the government to help us. We need them to help us to serve our customers.

"We're a government-linked company. We should get the help we need," he said. – May 17, 2014.

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