



New airline chiefs

A flurry of summer moves:

- **Dragonair.** Taking over as CEO from **Kenny Tang**, who has been there for three years, is **James Tong**.

This CEO role has now become no more than a senior management role at the Cathay Pacific group, which owns Dragonair. CEOs come from senior posts at Cathay (Tong was GM sales for Hong Kong, an important post), and generally return to Cathay.

- **Finnair.** On handing in his resignation, **Jukka Hienonen** did something very rare – he admitted he could not do the job:

“My four years in Finnair’s service has included both periods of success as well as the increasingly adverse development of the entire sector. And now a clear change of course is required. I am not satisfied with the results achieved; the rate of change has been insufficient.

“Many structures, and the company’s culture, have been formed in totally different conditions. With these we cannot do well in the present competitive environment, but changing them has proved to be extremely difficult. Some personnel organisations have shown no willingness to adapt.”

“Finnair has a good and effective strategy, on which it would be possible to build future success. It will require a lot of work and also a completely different way of thinking in terms of working conditions.”

- **Gulf Air.** Seems incapable of giving itself a clear run to catch up with the Emirates/Etihad/Qatar good-product/smart-marketing trio. Before the creation of Emirates, it was the Gulf’s brightest airline; since then, government interference has turned it into an inefficient also-ran.

Bahrain-owned GA is now on its third CEO in almost as many years since **James Hogan** left to head Abu Dhabi’s Etihad. Replacing him was **Andre Dose**, ex-Swiss, leaving in mid-2007 after less than a year. **Bjorn Naf** took over in an acting role, and

was then confirmed in the post, but after less than one year he has now been replaced by **Samer Majali**.

Majali has the ethnicity (he is an Arab), and experience, being the head of his country’s Royal Jordanian, to run GA well. He is credited with transforming RJ, although that is not wholly true; most was done before he became CEO. In fact, his skill would seem to be more in quietly administering a state-owned airline to the wishes of the owners.

That might be useful for the GA job, but not if the airline still wants to match Emirates and the rest. Given intra-Gulf rivalries, that is likely to be what Bahrain wants for its airline. Given interference from the top (and the side), Majali will fail.

- **Royal Brunei.** **Robert Yang**, whose experience has been mainly with Singapore Airlines, although his last post there was as VP Eastern USA and South America – which does not seem a particularly-senior position for RB’s CEO post. That said, and as we have said before, the airline is not run on commercial lines, and the main task is to manage the company and follow pre-ordained directional plans.

- And Cathay Pacific’s CEO **Tony Tyler** has been appointed chairman at IATA (International Air Transport Association). Although an honorific, usually-one-year post, if past patterns at Cathay are any guide, Tyler will step down from his Cathay post at the end of this year.

American takeover

Raffles Hotels (RH) is moving in the opposite direction from many companies. Starting as an Asian company with local CEOs, it was taken over by a North American company (Canada and the US) in 2005, and has now appointed a Canadian CEO, John Johnston.

RH is a division of Fairmont Raffles (FR), a cumbersome operation that splits its ‘head offices’ between Canada, US, and, for RH,

Singapore.

FR took some time to replace Diana Ee-Tan, who left earlier this year. A Singaporean, Ee-Tan had taken over from Jennie Chua, who was heading RH when it was bought by Fairmont. It was under Chua that RH bought Swissotel from a dying Swissair.

Ee-Tan took over in 2006. At the time we doubted her qualifications for the CEO job, although we noted that it was primarily a regional VP-like responsibility reporting to HQ in North America. However, Chris Cahill, heading Fairmont then and now, was “delighted” to appoint Ee-Tan and looked forward “to her contributions as we expand and grow both our Raffles and Fairmont brands globally.”

On paper, she did indeed do that – RH has only seven hotels, but 15 are due to open before end-2012, eight of those outside the region. In some ways, that makes Johnston’s job simpler – managing openings – although ironically his main experience has been in development.

Johnston has been with FR and its predecessors 11 years. He has been head of development for FR in the Middle East, head of Delta (FR’s mid-range brand), and regional head for Fairmont for EMEA.

Before that he was 15 years with Canada’s best-known hotel company, Four Seasons. That included some time in Asia, where he worked under Wolf Hengst, who opened Four Seasons’ regional office in Asia when it bought then-Hong Kong-based Regent Hotels. Hengst went on to become head of FS.

Cahill is once more “delighted” to appoint Johnston for “such an important role in the company... (He) has extensive experience in all aspects of the hospitality business and a keen understanding of the attributes that distinguish (RH). We are confident that he will provide both the leadership and vision to lead (RH) into its next phase of growth.”