

Growing a Winning Team

Our dynamic team is one of our greatest strengths. We take pride in the quality of our staff and are committed to attracting and retaining the best talent.



26,700

employees worldwide

Our human resources management approach

Human resources issues are managed by the respective departments in Cathay Pacific, Dragonair and our other subsidiaries. At Cathay Pacific, this is headed by our Director Personnel and at Dragonair, by the Head of Personnel.

Our Corporate Code of Conduct sets out our principles for acting responsibly in the course of achieving our commercial success. This Code of Conduct applies to all staff of Cathay Pacific and our subsidiaries and includes issues related to business ethics, conflict of interest, procurement, insider trading, lobbying, bribery, environment, health and safety, and respect in the workplace. Comprehensive policies have been developed to support the Code of Conduct.

To ensure that staff members are aware of these policies and their implications they are communicated via appropriate channels including orientation and induction sessions and an intranet link provided in employee contracts.

We aim to ensure our employees are productive, competent and flexible and operate within a healthy environment. We ensure this through a series of training and development programmes. We also strive to manage people in a way that recognises diversity.

19,500

employees in Hong Kong

Recruitment and selection

As a major employer which supports Hong Kong, we endeavour to demonstrate good corporate citizenship. We provide equal opportunities to individuals regardless of gender, race, national origin, disability and family status. We have adopted formal mechanisms through which employees can make a complaint of discrimination or harassment in any form.

Local recruitment

The practice of undertaking local recruitment in the communities where we operate has been in place for the past 20 years. If the required skills are available locally, we will give priority to the local labour market, before searching internationally. Vacancies are first opened internally to the company, then to the local community, and then finally, overseas. Most of our overseas hiring relates to skills or experience that is not readily available in the local labour market.



We offer specific programmes to build staff competencies in the following areas:

Career Choices	Brief Description
Management Trainee Programme (Part of John Swire & Sons Hong Kong, a wholly-owned subsidiary of Swire Pacific)	<ul style="list-style-type: none"> To nurture our next generation of business leaders Three-year development programme, with classroom training, workshops, and attachments to different facets of our business within and outside of Hong Kong
Engineering Trainee Programme	<ul style="list-style-type: none"> A 30-month development programme, with classroom-based aircraft training alongside practical experience in postings to different engineering sections
Cadet Pilot	<ul style="list-style-type: none"> A 60-week development programme for becoming a Commercial Pilot Residential course at a specialised facility in Australia
Flight Attendants	<ul style="list-style-type: none"> Three-year signed contract to train as safety officer, caring team player and ambassador for Hong Kong
Customer Services Officer	<ul style="list-style-type: none"> Nine to 12 months development programme on customer service skills within airside duty, and technical check-in procedures training in landside



Our strength, our people

We believe that Cathay Pacific differentiates itself through the interaction with our friendly, professional and intuitive people who will genuinely go the extra mile to care for our passengers and make them feel that they are somebody. Our people deliver this service and we recognise that they are important to our success. An advertising campaign, called 'People & Service,' was launched to communicate this in our key markets through various media such as print, television, outdoor displays, online, and social media. The highlight of the campaign is the opportunity to meet our team through our online minisite at www.cathaypacific.com/people, which features personal stories of our people, along with what they feel motivates them to deliver Service Straight From The Heart.





Response to the economic downturn: Unpaid Leave Schemes

We implemented two different Unpaid Leave Schemes in 2009 as part of our cost saving measures as our response during one of the most difficult years in our history and in the airline industry. With the Special Leave Scheme (SLS), staff were asked to take between one to four weeks unpaid leave, depending on their level of seniority, with senior staff being asked to share more of the burden. The scheme was voluntary but saw a very high take-up rate. In addition, a Voluntary Unpaid Leave Scheme was offered, whereby staff could take up to a further 12 months of unpaid leave.

Employee engagement

Throughout 2009, we consulted with various staff groups on matters relating to crew lifestyle, cabin environment, working conditions, administrative concerns and service and catering procedures.

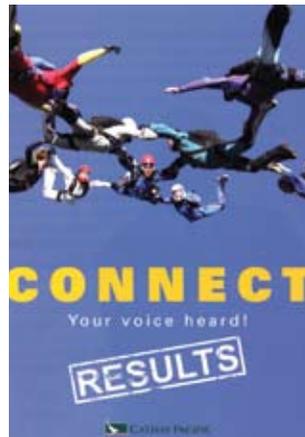
We recognise that staff representative groups can play a valuable role in helping the company better understand the needs of our employees. We continue to ensure that there are adequate feedback mechanisms for staff available as outlined below.

Cabin crew survey (CONNECT)

More than 30,000 comments have been collected from cabin crew as a result of CONNECT – the Cabin Crew Engagement Survey – in which 3,744 crew provided input. This survey is conducted every 18 months to get a better understanding of the different aspects of their working environment.

“CONNECT was designed to gather individual opinions on what is important to the crew community, how well we are doing and which areas we need to work on.”

Elaine Champion, Cabin Crew Communications Manager



Following the announcement of survey results, the first CONNECT Crew Forum was carried out in October 2009. Over 150 crew were in attendance representing every category and nationality. We believe that it is important to provide an opportunity for our cabin crew members to meet managers and foster understanding, openness and a greater sense of teamwork.

“Asking people for their feedback is only useful to the extent you are prepared to consider and act upon what they tell you.”

Graham Barkus, Manager Organisational Development & Learning

Organisational alignment survey

This staff survey is conducted every two years and aims to assess how closely aligned our organisation is to our company Vision and Missions. It helps us to assess whether staff are provided with enough clarity in terms of the company direction and what is expected of them. It further serves to assess the extent people feel our systems and processes are aligned to our Vision and Missions.

Over 120 questions were included and the results in 2009 were encouraging. We are pleased to report that we have improved on every aspect, including the people and leadership dimensions that reflect the day-to-day emphasis on people management and development.

The survey results will be broken down to departmental and smaller group levels and managers will work with their teams to help them improve on any issues identified.

Sustainability baseline survey

Towards the end of 2009 we conducted a sustainability baseline survey with all our staff. The purpose was to assess the level of awareness of our sustainable development initiatives amongst staff and identify areas where further training and communication is required. The survey is one tool amongst many that has been employed to communicate our initiatives with employees. We will report on the findings and actions taken in 2010.

Cathay Pacific Benefits

Flexible benefits: RightChoice

We are one of the first Hong Kong employers to offer a flexible benefit package, including medical and dental coverage, insurance plans and retirement schemes, which can be tailored to meet individual staff personal circumstances. There is also an option to buy additional leave.

Employee Assistance Programme (EAP)

The EAP is a programme that provides employees with world-wide access to free, confidential, and professional advice, information and counselling services for personal and work-related concerns. It offers assistance for problems like traumatic stress, conflict at work, grief and bereavement, depression or anxiety, job transition or pre-retirement issues. There is also a Manager Help Line specifically for managers and supervisors to discuss and get assistance on work-related issues. EAP helps staff to achieve better life and career goals and job security and promotional opportunities will not be affected by seeking help.

Staggered working hours

Staggered working hours have been in place for all Hong Kong non-operational ground staff since 1996. Section heads and staff are encouraged to work out an arrangement that can be of mutual benefit without adversely affecting the work of the team.

Training and career development

Employee lifelong learning

We promote a culture of continuous learning. All staff members are expected to equip themselves with necessary skills to enhance their career development via the support of online learning materials and training centres. We also arrange learning seminars and lunchtime forums with external professionals.

Managers conduct performance reviews for all staff as part of our mentoring and strategy for career development. We also support ongoing vocational education and career breaks for staff members who wish to pursue external activities for further enhancement of their careers.

Learner's World

Learner's World is our online training platform that allows staff to independently access training, without the constraint of time and place. It offers both personal development and work-related training.

Cultural awareness and language skills

In 2009, Cathay Pacific undertook a number of initiatives to promote language skills within our staff community. We conducted a series of proficiency assessments in various departments and established a "Language Clinic" for selected staff to boost their language skills. An online learning course on cultural awareness has been available since 2006, covering issues such as taboos, social norms, languages, values and religions, different ways of greeting people and reflections on cultural sensitivity. This is aimed at demonstrating the importance of respect and sensitivity to other cultures to avoid any behaviour that some passengers might find offensive.

There are online Mandarin and English courses which focus on specific requirements that support various job functions. In addition to these, there are also a number of generic courses on effective communication available for all staff.

Equipping our airport teams worldwide

Our Airports Training and Development Centre (ATDC) is responsible for driving and enabling the development of skills and competencies required of airport teams worldwide. ATDC works closely with local airport training coordinators, supervisors and managers to ensure training and development approaches, programmes (both technical and behavioural) and capabilities are optimised.

In 2009, we developed a five-year strategy to support the achievement of standards via new hire programmes; cultivate service and irregular operations handling capabilities; develop leaders to manage the business and grow teams; and, foster a day-to-day learning culture.



Creating a learning culture for our cabin crew

Cabin crew compose a significant proportion of our staff and in many ways represent the diverse culture of our business. In 2009 we had just over 9,000 cabin crew recruited from 14 countries, with the majority coming from Hong Kong.

To enable our team to provide the highest quality of service to our customers, we provide cabin crew with a comprehensive training and development programme using a 'blended learning approach' that focuses on knowledge, skills and attitude development. This includes induction and promotion training, annual refresher courses, job coaching, web-based learning and external workshops. We offer a series of voluntary learning options, whereby the employee is able to decide the extent of their additional training. These include workshops and briefings. Our cabin crew may also be given an opportunity to participate as trainers and to take part in marketing events and office secondment programmes, allowing them to understand how other parts of our business are run.



Re-structuring the Information Management Department

We restructured the airline's Information Management (IMT) Department with the aim of introducing a new operating model to meet changing information technology needs.

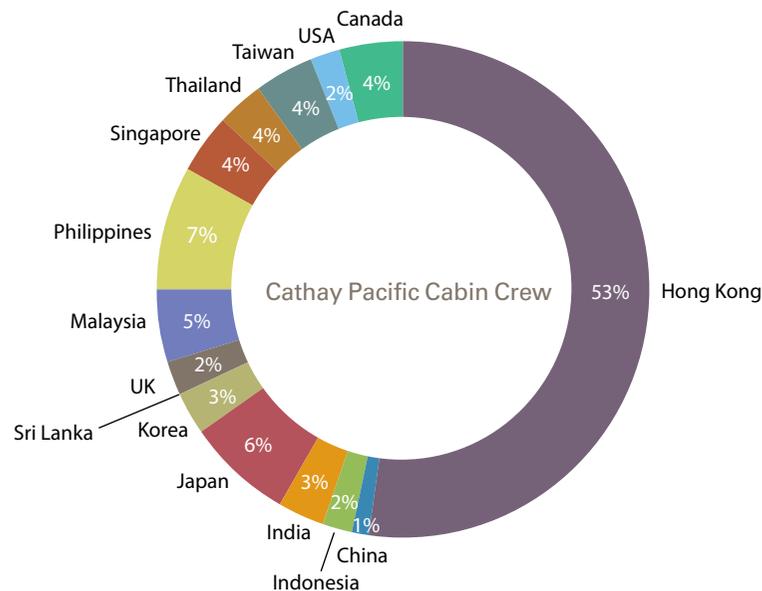
Since the programme was announced in June, we have endeavoured to communicate openly with IMT staff on the changes such as monthly "town hall" meetings and weekly Q&A sessions.

As part of the restructuring programme, staff members were invited to take part in a matching process which objectively assessed their suitability for positions in the new structure. The outcome of the process mean that the majority of existing staff will continue to have a role in the department. However, 53 colleagues – or 1/6 of the departmental workforce – were not assigned to positions. Most had strengths and backgrounds that did not match the targeted skills and background profile of the new organisation; others did not apply for roles because of individual professional aspirations. They all received a separation package that exceeded Hong Kong's employment regulations and an outplacement service was offered to help them find new roles outside the company.

Cathay Pacific Director Information Management Edward Nicol said: "We are offering these colleagues a separation package and will do everything we can to assist them in their career transitions elsewhere which better match their skills and aspirations."

"The objective of this exercise was never to reduce staff numbers," he said. "At the end of the reorganisation, the number of staff in the department remains roughly the same."

Nationality Mix in 2009



"I take great pleasure in coaching and encouraging my trainees to improve. Their success gives me a tremendous sense of job satisfaction and in turn motivates me to excel."

Lucy Tsui, Inflight Service Manager/Learning and Development Executive

Participants consistently highlight how many different skills they learn. Feedback has shown that the coaching and staff development skills have changed the way they approach some of the challenges they face in their day-to-day jobs of managing their team.

In partnership with Ethos, the central learning and development division of John Swire and Sons, a leadership transition programme has also been developed and launched specifically for middle and senior managers in upwards career transitions. The programme combines workshops and executive coaching based on a 360-degree feedback tool that provides feedback on each participant's core strengths and development focus as experienced by their direct reports, peers and managers.

"Through the personality test, 360-degree feedback and one-on-one coaching, I understand myself better, both in terms of my strengths and areas of improvement as a leader."

Ronald Lam, General Manager Sales and Distribution

Retaining talent

Cathay Pacific values the long-term commitment our staff make to the delivery of their work and service excellence. We are proud of our 'family-oriented' culture and we will continue to encourage staff to see the long-term value of working with us. We capture the views of some of our staff that have been working for Cathay Pacific for more than 20 years.

Developing a new generation of leaders

Cathay Pacific aims to ensure that managers not only have the capacity to achieve the best results through the people they work with, but that they themselves grow through acquiring new leadership skills. In our management development strategy, there are three core principles: people are individuals with unique backgrounds, experience and capabilities; emphasis is on interpersonal skills in applying knowledge in new situations; and, training should relate to real work issues through relating directly to participants' own work challenges.

Internal management development processes have been deployed in Hong Kong and outposts, with 350 middle managers participating in 2009. The approach typically involves 90 days of workshops, individual coaching and action learning projects to solve real work problems with peer group support. The managers are equipped with a range of management tools to help cope with changing business environments.



Susan Liao

Purchasing Manager
Marketing and Inflight Sales
Cathay Pacific

Susan joined Cathay Pacific as a Flight Attendant in May 1987, then spent over five years working in Cathay Pacific's loyalty clubs such as the Marco Polo and the Young Discoverer's Club. She then later joined the inflight entertainment team related to developing the interactive system. In late 1998, she moved into purchasing in the marketing department before transferring to Cathay Pacific Loyalty Programmes. In 2004, Susan rejoined the purchasing department for marketing, dealing with a number of diverse projects and learning something new every day.

"I did not fly for very long. When I got married and had children, I started looking for a ground staff role to take care of my family. We have internal vacancies on our intranet and switching jobs is an easy option at Cathay Pacific. Management has been very supportive and you can approach them at anytime.

"Cathay Pacific is like a big family, the norm is that staff tend to work here long term because it provides job stability. If you are willing to work hard, there are many opportunities for you to move around and experience different roles."



Ian Stark

Airport Services Manager
Sydney

Ian's career with Cathay Pacific began in 1978 as sales representative in Sydney. After spending 30 years in sales, marketing and commercial management in the Sydney town office, he decided to make a bold move. He became Sydney's new Airport Services Manager, working much closer to customers.

"Cathay Pacific's support for my move to the airport was fantastic. I met virtually every department that I needed to, sat with more people than I can remember, took enough notes to confuse me, and it hasn't stopped since. I am blessed with a very good team.

"I am fortunate that I came to Cathay Pacific when it was very young and my basic manual airline knowledge served myself and Cathay Pacific well. Today though it's all about automation and keeping up with this has definitely helped in providing me with opportunities at Cathay Pacific when they arise.

"Working at Cathay Pacific for more than 30 years has kept me in touch with many human aspects of life because our product is all about customers and customer service development."



Simon Siu

Project Manager
Electrical and Mechanical Services,
Cathay Pacific Cargo Terminal Project

Simon joined Cathay Pacific as a Graduate Trainee in November 1988, and spent three years in different departments mainly on operation, maintenance and transportation. He then served for more than ten years as Assistant Manager in building ticketing offices and the Cathay Pacific City headquarters. In 2000, he was recruited internally as Buildings and Support Services Manager to oversee Cathay Pacific City operations. With his expertise in building and operations, his current challenge is to build a new cargo terminal in Hong Kong.

"Cathay Pacific provides comprehensive training to its staff, I was nominated to attend finance management courses in INSEAD and project management at Richard Ivey Business School. There are also many internal training opportunities including lunchtime staff forums, where staff are always willing to share their experiences and learn from each other.

"I was also the organiser of the Running Club and an active member of the Trailwalker and Green PowerWalk. All these initiatives eventually helped me to develop team playing skills and enrich the sense of belonging to our company."

Progress against 2009 actions

Promote cultural awareness and language skills



Increase awareness of all policies relevant to employees, particularly the company's CSR-related policies

ongoing

Agenda for 2010

Provide better preparation and support for new recruits of flight attendants, by means of an online website called the Flight Attendant Learning Zone

Encourage staff in bringing new ideas for operational improvement (e.g. 2010 Chief Executive Award on Innovation)

Publish e-case studies in Learner'sWorld to share learning on customer service for cabin crew