

In Ilker Ayci, Tatas find a surprise pilot to fly Air India

Ilker Ayci had a stable seven years at the helm of Turkish Airlines and saw the growth in both destinations and fleet. But the jury is out on whether he was the right candidate to lead Air India as CEO.

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Ilker Ayci

The Tatas, which recently **took over Air India**, have named Ilker Ayci as its Chief Executive Officer (CEO). Ayci, a Turkish National, was born in Istanbul in 1971 and was **leading Turkish Airlines** from 2015 to end of January 2022.

The appointment is surprising because Ayci does not come with an aviation legacy as the other names that were rumoured to be contenders for the post. Starting his career in 1994, he was assigned several positions in Kurtsan Ilaclar A.S., Istanbul Metropolitan Municipality, Universal Dis Ticaret A.S., respectively, and then he served as a general manager in Basak Sigorta A.S. (General Insurance Company) between 2005 and 2006, and then in Gunes Sigorta AS (an insurance services company) between 2006 and 2011.

In January 2011, he was appointed as the Chairman of The Republic of Turkey Investment Support and Promotion Agency, which is the official organisation for promoting Turkey's investment opportunities to the global business community and for providing assistance to investors before, during and after their entry into Turkey. In February 2013, he was appointed as the vice president of the World Association of Investment Promotion Agencies, and later on in January 2014, as the chairman. In 2015, he took over as chairman of Turkish Airlines after serving on its Board of Directors for only a year. He was later appointed as its Group CEO and MD, a position he held until last month.

Not the first expat in Indian skies

Ayci is not the first one to occupy the corner office for an airline in India. Foreign passport holders with Indian origin as well as foreigners have been a regular to hold the corner office in Jet Airways, Bruce Ashby was the first CEO of IndiGo, likewise Go FIRST has seen many expats at helm of affairs. AirAsia India - had two expats of Indian origin before the mantle fell upon the current CEO and Vistara has always had an expat lead the airline.

Surprising choice but expansion experience the key

Ayci has links to Ergodan - the president of Turkey. Turkey's open support to Pakistan and its stance on Kashmir has not been taken kindly by the Indian government and thus the choice by Tata group comes as a surprise.

However, Ayci has presided over Turkish Airlines' expansion like none other. He became chairman of Turkish Airlines at a time when the airline was flying to 45 domestic destinations and 206 international ones in 106 countries. At the end of 2021, Turkish Airlines was flying to 328 destinations in 128 countries. Ayci has overseen a significant expansion at the airline. The expansion has been to nearly 70 airports and 20 additional countries during his tenure.

He has also presided over an incredible increase in fleet. The airline had 249 aircraft in 2014, which stands at 372 today! The airline has the distinction of serving more airports from a single airport (Istanbul) than any other airline in the world! Apart from being a fellow Star Alliance member like Air India, Turkish Airlines also has stakes in other airlines and companies which all rolled up to Ayci as Group CEO!

From a perspective of the TATA group, it looks like the board wanted to invest in someone who is young, has experience of expansion and has had a stable previous innings which with Ilker Ayci was seven years at the helm - all of which involved planning expansion and growing.

Main challenges

More often than not what has been sighted as a challenge in case of Air India is the unions which are powerful. There has not been any industrial action thus far and repeated notices from the union to restore pre-covid salaries has been a contentious issue. Merger of various entities where people are with union, without union, permanent employees and on contract is a difficult task. In addition, in a company where issues related to seniority are still lingering even a decade or more after the merger of Indian Airlines and Air India, another merger could make matters worse.

As these challenges aren't enough, the entire gamut is losing money, with the highest being Air India. Vistara and AirAsia India have never made money since inception, even though the latter was supposed to start making money within a year!

Improving inflight services, upgrading the hardware, expanding the network are just some of the challenges which the neo CEO has to face. If the group decides to merge AirAsia India with either Air India or Air India express, that would be an additional task. While integration is a shorter task - the long term fleet plan is essential and this would well be the opportune time to place an order to revamp its B777s and add on to the B787s.

The 51-year old Ilker Ayci has a long way to go in his career. He has had only one airline stint and does not have a turnaround experience. Globally, while all airlines are going through challenges around profitability and regulations in COVID times, Air India is probably the most challenging assignment around.

Not only will he have to steer Air India and Air India Express, but he will also have to work towards looking at the future of AirAsia India and Vistara. Ilker Ayci would find himself in the middle of so many challenges, that he can virtually start from anywhere to clean up! The journey will be long, arduous but one which the entire industry is eagerly waiting to see!