Good evening friends and this evening is about the book “The Virgin Way” by billionaire Richard Branson. In this book, Richard talks about values and beliefs he holds dear in regards to leadership.

The book is filled with amazing witty quotes, and the one it starts with is: “Life’s too short. Don’t enjoy it? Don’t do it!”

Richard explains the last quote using another one that “Life is not a dress rehearsal!”. So you should not waste any of your limited time on this earth doing stuff that doesn’t lighten your face.

The book is divided into four parts: Listen, Learn, Laugh and Lead.

Reading from “Preface”, Richard had dropped out of high-school at the age of 16 to start off a magazine called “Student”, simply because he wasn’t enjoying his school as he had difficulties learning due to dyslexia. But he adds he does not mean to start some kind of ‘burn your books’ movement!

He writes “Having ‘Fun’ is at the core of the ‘Virgin Way’. Being passionately engaged and enjoying every minute of what you do is an attitudinal thing – a spark – It’s something that’s either in a person’s DNA or not, and as such has to come from within.”

As any of Richard’s colleagues at Virgin will attest, in his vocabulary the phrase ‘seemingly impossible’ is defined as ‘something that should be a lot of fun disproving’.

Now, **“Not every author is as candid as Richard!”**

Richard mentions he didn’t read any of the 93,000 books he found on Amazon for the search string “Leadership books” nor does he have any idea of what these authors have to say but he doubts that few if any of them have had a fraction of the fun that Richard has had in the forty-plus years leading the charge with the Virgin group of companies.

So here is a search string he then tried instead:

***‘Having a great time while building a highly diversified global business with an extended family of simply wonderful people’***

Guess what? There is not a single match to this day!

This presentation will take you through some of the best stories told in the book.

This first story is about the “Power of forgiveness and giving people a second chance”.

On an odd occasion Richard had been guilty of helping himself to a few pennies that his dad used to keep in his bedroom wardrobe. And in his mind, he was only borrowing with no terms or structure for repayment established. Richard was using these ill-gotten gains for buying chocolates from a sweet shop just around the corner from his house.

One day, though, he’d taken a much bigger ‘loan’ than usual from his dad’s wardrobe bank and promptly done his part to boost Cadbury’s shareholder value. The old lady in the sweet shop smelled the rat, she did not say anything to Richard but next time when he was there with his father, she blurted out “Now I don’t want to get him into any trouble, Mr. Branson, but I don’t know where young Richard’s getting all his money from. I hope he isn’t stealing it.”

But then, just as Richard was thinking, ‘Oops, I’m really in for it now!’ his dad staggered him by putting his nose right up to hers, looking her straight in the eyes and loudly declaring, ‘Madam, how dare you accuse my son of stealing?’ Richard was even more surprised when, after they’d marched out of the shop, his dad never said another word about it. Sometimes, though, the power of the unspoken word can be a frighteningly powerful thing and his father’s studied silence with him for the rest of that day spoke volumes. In addition, the fact that he’d immediately jumped in and vehemently defended his light-fingered son’s integrity made Richard feel more guilt-ridden and miserable than if he had berated him in front of her. Dad’s handling of the situation taught Richard a hugely effective lesson. Not only did he never pinch another penny from his parents, but it also taught him a life-lesson on the power of forgiveness and giving people a second chance.

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Richard attributes his success a whole lot on his listening skills, about which he writes that he learned in school that “Listen” and “Silent” were anagrams and to make a list out of it, he added the word “Enlist”. Now using these words in a sentence he quotes “***if more of us could ‘enlist’ the art of remaining ‘silent’ in order to ‘listen’ we would dramatically improve our ability to learn”.***

Next, lesson is titled “Mirror-mirror” that tells you the importance of taking customer feedback.

The saying that he starts with is ‘If it walks like a duck – it usually *is* a duck”, which means that if the customers are getting a perception of what you are doing to resemble a duck and then it usually is a duck. You should make it a habit seeing your actions from the eyes of the people at the receiving end of it.

To this Richard adds “Now I am not suggesting that soliciting the input of foreign dictators is necessarily the way to go, but when you have family and friends who are also consumers, it is downright foolish not to take full advantage and listen to their outside-in points of view.”

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Trusting the consumer instincts is a tried and true belief so much so that people make their investment decisions based on it. If you like a product and all your neighbors like it too then the chances are that this product is going to last and hence is a good investment.

The ultimate example of such consumer behavior is the tale of American Entrepreneur Victor Kiam and his company Remington Products. As the story goes, his wife bought him a Remington electric razor and, as he famously said in their advertising campaigns, ‘I liked the product so much, I bought the company.’

Next few slides are about public speaking skills.

The key to making a good speech is that you “keep it simple, stupid!” Yeah, that is the full form of KISS here.

Simplicity wins every time. Short and snappy lines sell.

As the saying goes “*A good speech should be like a woman’s skirt: long enough to cover the subject and short enough to create interest.*”

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Now don’t worry about nervousness and stage-fright, even the best of the best speakers get nervous.

To make you feel better, here is what Mark Twain has to say:

*‘There are only two types of speakers in the world: The nervous and The Liars.’*

The strange fact is that nervousness is good. The best and most experienced public speakers still get nervous, so don’t fret about it. A touch of the jitters sharpens the mind, gets the adrenalin flowing and helps you to focus. The best way to mitigate it is quite simple, practice, practice, practice and practice some more. Go through it until you are saying it in your dreams and it will be a lot easier on the day!

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On “Navigating the Next”:

This was in 1975. Kodak had developed a digital camera that was one of its kind. But the product was soon dropped for the fear that it would threaten their existing photographic film business. Instead of embracing the opportunities that the new technology presented and exploiting their resources to lead the charge, Kodak’s senior management instead seemed to bury their heads in the sand as if by ignoring the digital, they would magically make it go away.

Eventually, seeing the error, Kodak went on to create something called ‘Photo CD’ that fell somewhere between their traditional analogue offerings and digital technology, but compromises seldom work.

While Kodak tried desperately to hang on to the past and the huge 70 per cent profit margins they enjoyed, newcomers to the camera game like Sony came and ‘ate their lunch’. Kodak’s share price dropped by 80 per cent in 2011 and they filed for bankruptcy protection in 2012.

The fact that other major analogue-era imaging companies like Canon and Nikon all successfully navigated the transition to digital would seem to indicate that the only plausible reason for Kodak’s rapid decline was a catastrophic failure in leadership. And as is almost always the case, leaders who spend too much time looking in the rear-view mirror are seldom positioned to navigate the road ahead.

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Next story is about “Luck”.

The first part of the story is about Google. When Antonio and Sergey (one of the Google’s founders) were refused a ticket at a theater due to houseful, the two went for coffee and Sergey told Antonio about the search engine that he was working on. Antonio did not understand the technicalities of the project but he liked the idea of organizing vast amount of information on the web. In short, it struck him as an idea that had a lot of market potential. When Antonio met up with his new friend the next day, therefore, he asked how he could get involved. He was told they were in the early stages of raising capital to launch their business, that it was valued at a million dollars and they’d love to have him as an investor. In what was to become the watershed moment of his life, Antonio responded by saying, ‘Well, I have $10,000 that was earmarked for a second-hand car but I might consider putting it into your company instead. What would that get me?’ He was told it would give him a one per cent ownership stake and so they agreed that they had a deal.

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A counterpoint to Antonio’s story is that of Ronald Wayne. Wayne had worked alongside Steve Jobs at Atari and became one of the co-founders of Apple with Jobs and Wozniak. At forty years of age, Wayne was almost twice as old as his young co-founders and so he agreed to essentially act as the venture’s ‘adult supervisor’ in return for which he was given a ten per cent stake in the nascent company. Among other things Wayne drew up the partnership agreement between the three, drafted the first company logo and wrote the Apple 1 manual. For a variety of reasons, however, Wayne just didn’t feel that things were going to work out, and also didn’t particularly enjoy working with Jobs, so after only a couple of months Wayne called it quit and relinquished his stock in the company for a one-time pay-out of $800. Had he toughed it out and hung in there, that stock would today have been worth close to fifty billion dollars! So was it bad luck or bad judgement? Maybe a bit of both. But Antonio was no Ronald Wayne and had been astute enough never to sell a single Google share. He never got the used car but that $10,000 is now worth billions of dollars. In terms of making the luck work for him, Antonio had to have the smarts to recognize an opportunity when it came along and greater still the guts to risk his $10,000.

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On dog fights between small and big companies, Richard quotes “What counts is not necessarily the size of the dog in the fight – it’s the size of the fight in the dog.”

Virgin has always reveled in being the little guy chasing much larger.

He explains how a David might actually win against a Goliath.

David has to know that to fight Goliath, he has to know what his strengths are and what the strengths of Goliath are. David cannot win the game Goliath is playing so he has to redefine the rules and play it as it fits him.

What routinely fools a Goliath is when, instead of going after their market share, someone instead goes out to create a whole new niche market. They are well practiced in defending their turf against unimaginative intruders. This is usually achieved with such no-brainers as deep discounting, leveraging their distribution clout or what can best be described as simple bully tactics.

But when someone arrives on the scene with a hybrid product that they cannot pigeonhole – as was the case with the biblical David’s slingshot – it can cause massive confusion in the enemy’s ranks. When all else is equal then the big guys will usually find a way to outmuscle any pesky upstart, so that is why the newcomer has got to make sure that the playing field is anything but level. You always know it’s working when they cry foul!

All it takes for the status quo of mediocrity to be shaken up is for one little outsider to step into the ring and start punching above their weight.

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Next few slides are about Innovation.

“**INNOVATION IS NOTHING NEW**. **Ask any passing bumblebee.**”

And this is quite interesting to know that according to all the laws of aerodynamics, the humble bumblebee should not be capable of flight.

The story I am going to tell is about the greatest innovator who has ever lived – Leonardo da Vinci. This dates back to the 1500s. Da Vinci was called in from Italy to Constantinople to work on building a bridge that was going to be an unprecedented feat of engineering, a single-span 240-metre-long bridge.

Excited by the challenge, da Vinci set to work and the dramatic result was an incredibly futuristic bridge design that with the use of unheard geometric concepts produced a soaring single-span bridge that was truly a work of art.

The engineering and architectural experts of the day were appalled and condemned it as an abomination and a work of fantasy that could never possibly work.

As everyone knows, obtaining planning approvals in a city can be a long and frustrating task, but in da Vinci’s case 500 years is pushing the envelope! Setting new standards in ‘better late than never’, Leonardo’s sixteenth-century bridge design (with a few updates based on twenty-first-century building materials) was finally given the go-ahead in 2012 by the city of Istanbul. But history is littered with da Vinci-like tales of how the greatest innovators of their times have had to struggle to get their ideas past the power of incumbents who can only accept those things that fit into their existing pigeonholes, and the established theory.

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Next, we tell the story of Sara Blakely. Sara had been wearing tights with the legs cut off but always had problems with them riding up her leg. So she started looking into how she could make a shaper that worked. The birth of Spanx was a classic entrepreneurial case study where if you can’t find something you want, then go out and create it.

On naming the company “Spanx”, she writes it was a branding decision. Sara had heard somewhere that names with a K in them sold well, so she came up with the name Spanks, a name that a lot of people in the Bible belt found too offensive. So she put the garments in a red box and changed the spelling to Spanx with an X – people were still offended, but she thought it was more fun.

Started in 1998, company’s sales were pushing $700 million by 2012 and Sara owned a brand name that, rather like Google is to search engines, has become generic to the market segment she created.

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On hiring and keeping people, Richard writes about Chris Rossi and Xiki Baloyi.

Chris Rossi who is now Virgin Atlantic’s senior vice-president in the USA started out working behind the check-in counter when the company first began flying to Boston in 1991.

At Virgin Active in South Africa, Xiki Baloyi began her career in 2003 as a receptionist – she had trained in sports management but couldn’t find a position in that field. But as in 2013, she was named the assistant general manager of Virgin’s new Alice Lane Health Club.

Passion is the key to working at Virgin. It is innate to person, you cannot infuse it, either it is there or it is not.

On keeping good talent, we have some points brought out by the study ‘Project Oxygen’ at Google.

It says the three top reasons people quit are:

1 🡪 They didn’t feel enough of a connection to the company’s mission, or their individual contribution was not considered important.

2 🡪 They didn’t get along with or respect their co-workers.

3 🡪 They thought they had a terrible boss.

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Next slide talks about the challenges that our female folks face in the corporate world.

The numbers from EU say that the percentage of female board members stands somewhere between 20 to 25 per cent for the various countries in the EU region.

And, according to the 2013 *Fortune* 1000 list of CEOs, only 4.6 per cent (that is, 46) are women and that number has been virtually stagnant for a decade.

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Richard is a person with “get-go” attitude.

To explain how leadership works, how decisions are made, he has devised three categories into which a business manager falls.

First and foremost, there is the serial procrastinator. This is the one with a perennial approach of ‘Why make any decision today when I can put it off until tomorrow?’ The type: **‘SCREW IT – DO I REALLY HAVE TO DECIDE?’**

The second personality type is the one into which Richard is most likely to fall. **‘SCREW IT – WE’LL DO IT – TODAY’**

The third **‘SCREW IT – LET’S THINK SOME MORE ABOUT IT’**, probably the smartest all-round approach is what I like to call ‘the art of orchestrated procrastination’. This is an acquired discipline whereby the first thing to be addressed as part of the decision-making function is timing. Is it a ‘carpe diem’ situation or not? If you don’t seize the day, might the window of opportunity close or might it be filled by a start-up or existing competitor?

That’s all for the day, thank you, have fun!