

REINVENTING LEADERSHIP

A roundup of books, websites, videos and other resources from and for the C-suite.



Purchasing power was low. Logistics were crude. Last year, Alibaba, with 300 million customers and 80 percent of China's e-commerce, enjoyed the largest initial public offering in history at \$25 billion. Half of all packages shipped in China originate with a purchase on an Alibaba website.

That's only part of the story, however. How Ma and his startup grew so fast and so big is the more compelling narrative. The short answer is he built a company that is culturally identical to the country in which it operates. Whereas American and European e-commerce platforms go after large companies, China's economy is dominated by small businesses. As Ma said, he went fishing for shrimp, not for whales. As talent fled villages for the country's big cities, Alibaba gave entrepreneurs a way to stay at home and make a living. Today there are 211 Taobao villages (the site that buried eBay in China) where 10 percent of households engage in e-commerce and generate in excess of CNY10 million annually.

Porter Erisman, a former Alibaba vice president, fluent Chinese speaker and one of the company's only foreign employees, had a front row seat to the company's awkward missteps and its eventual success. His book concludes with Alibaba and the 40 Lessons, among them such Confucian aphorisms as "Be as fast as a rabbit but patient as a turtle." For China, it works, but the lessons, like so much ancient wisdom, are universal.

Alibaba's World: How a Remarkable Chinese Company Is Changing the Face of Global Business by Porter Erisman. St. Martin's Press, 2015.

Numbers tell some of the story. When Jack Ma founded Alibaba in his apartment in 1999, less than 1 percent of China's population was online, and fewer still would consider buying anything online. Credit cards were rare.

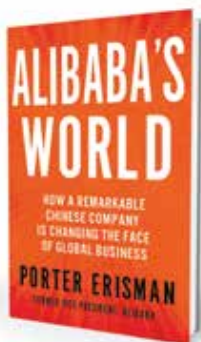
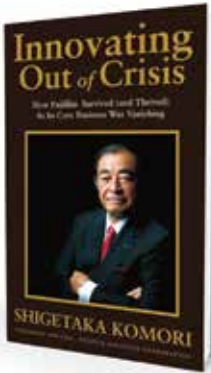


PHOTO BY SAKHORN/SHUTTERSTOCK



Innovating Out of Crisis by Shigetaka Komori. Stone Bridge Press, 2015.

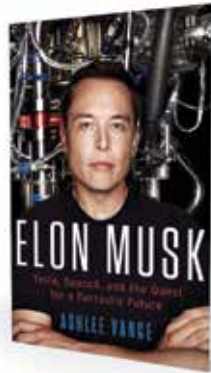
Are you brave enough to recognize reality? That's the central question the chairman of Fujifilm asks in this plain-speaking book. The follow-up questions are: Would you

know what to do if you did? and Would you have the guts to do it?

In 2000, Shigetaka Komori, who had worked for Fuji Photo Film his entire career, became president and COO. He had been warning senior management since the 1980s of the impending impact of digital photography. In 2001, global demand for color film fell off a cliff, and the price of cameras soon followed. By 2003, when Komori became CEO, he knew that only "drastic organizational reform" would suffice.

What he did—his so-called Second Foundation—was described as "putting on the brakes while stepping on the gas." He simultaneously downsized the photographic film business while aggressively investing in new businesses. Armed with a quadrant map charting technologies and markets (thoroughly outlined in the book), he knew that Fujifilm needed to move into emerging markets like pharmaceuticals, cosmetics and LCD displays. He identified six priority business areas. As a result, Fujifilm suffered much less than its competitors. Although in Q3 of the company's 2015 fiscal year, Fujifilm is still down about CNY300 million from its 2008 revenue of CNY2.8 billion, its annual revenue has increased steadily since 2012.

The first half of the book outlines the nuts and bolts of that reinvention and the results. The second half is dedicated to Komori's thoughts on leadership. With characteristic bluntness, Komori says things like "consensus leaders are useless" and "leading is more important than thinking about how to lead." Most CEOs are less candid and more self-aggrandizing, neither of which is useful. This book, on the other hand, is for the brave few who see the future clearly and have the intestinal fortitude to confront it head on.



Elon Musk: Tesla, SpaceX, and the Quest for a Fantastic Future by Ashlee Vance. HarperCollins, 2015.

Genius is hard—and hardest, perhaps, on the people around the genius. Elon Musk's genius is not in dispute. He has transformed

three well-established industries with ideas that were futuristic only five years ago. Tesla and the all-electric car; SpaceX and accessible interstellar travel; and SolarCity and affordable solar energy have upended the automotive, aeronautic and energy industries with innovations that no one thought possible. None is a single invention but a self-supporting ecosystem that simultaneously creates a product and an industry to go with it. At a time when Silicon Valley seemed able to give us nothing more innovative than 140-character communications platforms, Musk came along and blew away the cobwebs and the doubters.

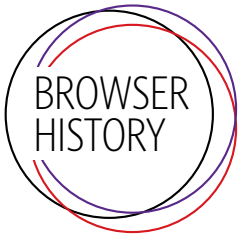
He is a difficult and driven man who inspires tremendous loyalty and animosity in equal measure. He attracts the best talent—but he cannot tolerate less than almost superhuman standards. It's as if he alone understands that mankind's days are numbered, and only the impossible will save us. Musk made all his electric vehicle patents open source, for instance, not as a publicity stunt but because he sincerely believes carbon emissions will choke the planet. He wants lots of people to make electric cars to save us from that fate. The idea has an attractive idealism except for the whiff of infallibility that hangs over it, making much of what Musk does difficult to swallow. These are not purely business motives but the fulfillment of his urgent worldview.

Ashlee Vance, a respected technology reporter and author of *Geek Silicon Valley*, tells both the story of the man and stories of his businesses and his vision: South African boy with a difficult childhood grows up to change the world. Nothing less will suffice. The reader fails to warm to the man while being astonished at what he's doing.

—Rebecca Rolfes



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"When these corporate cancers—arrogance, bureaucracy and complacency—metastasize, even the strongest of companies can falter."

—**Warren Buffett**, chairman and CEO, Berkshire Hathaway



"The only way you survive is you continuously transform into something else. It's this idea of continuous transformation that makes you an innovation company."

—**Ginni Rometty**, CEO, IBM



"The one thing I have learned as a CEO is that leadership at various levels is vastly different. As you move up the organization, the requirements for leading that organization don't grow vertically; they grow exponentially."

—**Indra Nooyi**, CEO, PepsiCo.



TED TALKS WORTH WATCHING

Reinventing technology, your community and yourself.

TED Talk:	Where's Google going next?	How to revive a neighborhood: with imagination, beauty and art	Your body language shapes who you are
Who	Larry Page, co-founder of Google, describes how technology can take ideas from improbable to possible.	Theaster Gates, potter and social activist, reinvented a blighted neighborhood in Chicago, shaping it into a hub of cultural activity.	Amy Cuddy, associate professor of business administration at Harvard Business School, says changing your body language can transform everything from how others perceive you to your testosterone and cortisol levels.
Quote	<i>"I've been amazed—the more I learn about technology, the more I realize I don't know, and that's because of this technological horizon, the thing that you can see to do next. The more you learn about technology, the more you learn what's possible."</i>	<i>"[Like potters] we tackle the things that are at our wheel. We try with the skill that we have to think about this next bowl that I want to make. And it went from a bowl, to a house, to a block, to a neighborhood, to a cultural district, to thinking about the city, and at every point, there were things that I didn't know that I had to learn."</i>	<i>"Our bodies change our minds, and our minds can change our behavior, and our behavior can change our outcomes."</i>

128 YEARS OF REINVENTION

National Geographic went from a stodgy scientific journal to a multimedia powerhouse—while staying true to its mission and vision to educate the world about environmental, social and cultural issues.

1850 1900 1950 2000

1888 National Geographic Society is founded; first issue of *National Geographic* magazine is published.

1958 First National Geographic film, *The Bones of the Bounty*, airs on TV.

1996 National-geographic.com launches.

1997 National Geographic Channel launches internationally in partnership with Fox Networks Group.

2011 National Geographic launches special section on iTunes Store that allows users to browse, buy and download content—including apps, books, television episodes and music.

2015 21st Century Fox buys National Geographic's media properties, including its cable channels, magazine and other media.

