

30 DAYS AND 30 YEARS

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**THE SPRINT AND MARATHON OF ACHIEVING
BREAKTHROUGH PERFORMANCE**

AZRAN OSMAN-RANI

2019

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1. Success in business.

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This book is dedicated to, and inspired by, my muse,
my anchor of stability throughout my voyages
of curiosity and purpose, my wife,

Azreen Pharmy

and to our boys,
Khairil, Mikhail and Aqil

May you approach life as a box of crayons,
where you go out and colour the world,
even if it means sometimes getting broken,
but still being able to colour,
rather than being a perfect-looking crayon
that just stays in the box.

I want to also express my deepest gratitude
and love to my mother, **Dr. Safiah Osman**,
a prolific author and educationist.

I would have not dared to start this book without her encouragement,
not through words, but by her exemplary actions,
showing rather than telling—the most effective form of leadership.

CONTENTS

Foreword	1
Introduction	5
1. Nothing Goes According to Plan	17
2. Disrupting the Status Quo with Curiosity	49
3. Leading with Purposefulness: The 30-Year Dent in the Universe	75
4. Structuring New Ventures: Bet on the Team, Not the Business Plan	95
5. Hiring for Curiosity and Purposefulness	109
6. 30-Day Sprints: High-Speed Communications	133
7. Performance Management Based on Curiosity and Purpose	161
8. Structured Peer Groups and Coaching as Powerful Curiosity and Purpose Mirrors	181
9. Running Board Meetings with Curiosity and Purpose	201
10. The Science of Curiosity and Purpose	215
11. Conclusion: Embrace Curiosity and Purpose	229
About the Author	233

FOREWORD

No Dream Too Crazy

WHEN Azran asked me to write the Foreword to this book, his first, I said yes at once. After all, with little fuss he had said yes to our proposal to bring him on board the team that was launching iflix in 2015.

I've known Azran for many years as a friend. Our professional relationship took off when I first heard that he had left AirAsia X. At that time, we happened to be putting together the initial iflix team. I thought Azran's experience building businesses in Malaysia and the region would complement that of Mark Britt, the Group CEO of iflix who had built an Internet television platform in Australia. I suggested the two of them meet. In true Catcha Group speed, that first meeting between them one morning in early 2015 quickly led to a follow-up meeting at my office that very afternoon! Inspired by our bold proposal, Azran said yes—he was on board, without any fuss about titles or remuneration. #BOOM

Azran was drawn to the crazy idea of taking on Astro and Netflix. The idea of disrupting these giants may have seemed farfetched to many—but not to Azran. Change, innovation and disrupting the business of huge incumbents excite him, just as they do me.

When we started iflix, we had just a few people with laptops and no product. Today, iflix has over 750 employees and over 20 million subscribers across 28 territories throughout Asia, the Middle East and Africa. Its audacious mission is to revolutionize entertainment for 1 billion people! And Azran was part of that initial journey, overcoming many huge challenges along the way.

But before iflix, he had already made his mark, first at Astro and then

at AirAsia X where he caught the public's eye as its bold and innovative CEO. In just six years from AirAsia X's launch, the long-haul, low-cost airline went from one rented airplane to an initial public offering that reached a US\$1 billion valuation. He has a track record of building 'attacker' businesses and leading teams from startup to IPO.

That's Azran for you.

Perseverance is the difference between going bust and creating a billion dollars in value

Azran and I have the same entrepreneurial zeal to disrupt incumbents by out-innovating them, then implementing our ideas with speed, agility and resilience. My key to success has always been the ability to persevere in the face of adversity. For example, it took me eight years of stumbles and pivots before Catcha Group found its footing. From the start, my mission was to create a great company that would go global and disrupt the entire dot-com industry. Catcha.com started out with a dream of becoming the Yahoo.com of Southeast Asia. When the dot-com bubble burst in 2000, we were deep in debt. Although our operations were in disarray, I was not deterred. We dug our heels in, diversified into magazine publishing and, eventually, picked up the pieces to chart a course into online media.

There's a list of things we tried, failed and completely messed up. But we learned so much. That's the key to success—learning from your mistakes and persevering. That's why I went through 75 meetings before my first investor said he'd put his money into iProperty. In 2016, we sold it to REA Group for US\$524 million, making it one of the biggest tech exits in Southeast Asian history!

The five Ps—my strategy to success

In addition to Perseverance, Pivot, Problem, Passion and People make up the rest of my five Ps to success.

1. 'Pivot' means having the courage to experiment, the audacity to test and try again if something doesn't work, the courage to take a chance and the ability to step out of your comfort zone to do things no one else has done!

2. Find the ‘Problem’ faced by your community and environment (and there are so many out there!), then clearly identify how you’re going to solve it. This is where ideas and innovations bring true value.
3. Many assume that ‘Passion’ is what drives people to keep at what they’re doing in order to succeed. However, I believe that passion and success need to co-exist. If you don’t achieve your goals or the success you envisage over the long term, your passion will fade and this may lead you to give up. I believe it’s vital for entrepreneurs to develop short-term goals so they can ensure their passion is constantly kept at a sustainable level.
4. The greatest asset of any organization is its ‘People’. From the founder to the employees, people are the backbone of the whole business structure. Studies show that businesses with co-founders generally outperform those with a single founder. Thus, it’s important to take the time to choose the best partner possible to achieve your ultimate goal. It’s also an ongoing process for an entrepreneur or businessman to look for reliable talent and retain them.
5. ‘Perseverance’—I covered this earlier, but here’s my one sentence summary of what it means: “Never let ‘no’ get in the way.”

Leadership, confidence and risk-taking

Entrepreneurs must have an enormous amount of confidence in their product and business model to be able to persuade investors, employees, authorities and customers to participate. Building businesses also comes with taking risks because you stake your reputation on an unproven idea. Taking risks is scary, but there’s also a great sense of fulfilment in doing something that people say you can’t do.

And this is what I see in the way Azran leads. He is unafraid to work on unverified ideas. He is always pivoting, quickly changing direction when something doesn’t work. He doesn’t waste time dwelling on failure or trying to find fault. He keeps on moving, changing and adapting. He has not only survived many trials and tribulations, he has also thrived in several demanding roles in the course of his career.

The reader who relishes inside stories of building innovative attacker businesses, or implementing new business ventures from incumbent

corporates, or transforming organizations into more innovative, agile and creative entities or, in short, achieving breakthrough performance, can gain a lot from Azran's pointers in this book. Whether you read the book from cover to cover or simply dip into a particular topic, you're sure to gain valuable knowledge that you can put into practice.

You'll also get an insight into Azran's '30 Days and 30 Years' principle and practical techniques. These are underpinned by his concept of 'Curiosity and Purpose', which will inspire you to lead an exciting life, build innovative businesses and thrive in today's volatile and uncertain world. What's best is perhaps Azran's real-life stories, and many accounts of successes, failures and mistakes in the places where he has worked. These all add up to a book that's not only exciting but real.

To Azran—here's to many more years of working hard, playing hard and having fun! #BOOM!

Patrick Grove

Co-Founder and Group CEO of Catcha Group

INTRODUCTION

IT was the 27th of May 2018, at the time I was writing this book. I was cycling near my house when all of a sudden, a car hit me from behind. I went flying. Then thud! Everything went black. That accident caused head injuries, including some bleeding in my brain, and fractures on three spinal vertebrae, my left shoulder, right elbow and right leg, not to mention multiple wounds. As an Ironman triathlete, I regularly cycle over 100 kilometres at a time. This was just a short ride from home to test my new electronic shifters. Two weeks before that, I had qualified for the Ironman 70.3 World Championships in South Africa in September 2018. I had made detailed plans to make a trip of a lifetime to compete on the world stage.

As I lay in my hospital bed, groggy after multiple surgeries and scans and immobile with three of my limbs in casts, I could barely make any sense of this sudden change. I was worried, not only about having to abandon my World Championship dreams but whether I would regain my full physical and mental self. How much would all the medical procedures cost? I had limited medical insurance coverage as I had left corporate employment and embarked on building my own startup company. What if I had to abandon that too? Would I still be able to provide for my wife and school-going children?

I'm my own biggest critic and I put a lot of pressure on myself. But when well-meaning friends and family admonished me for cycling on the road and said it was irresponsible of me to take that risk since I had a family to take care of, something suddenly triggered inside me. I discovered a powerful purpose. I may not be able to change the circumstances that happen to me but I'm in full control of how I respond to them. As I thought about my children, I wanted them to learn that risks are not to be avoided. Living a safe, cautious life is living a life unfulfilled. I want them to venture out into the unknown, even if that often means experiencing failure and being knocked down.



Racing at Ironman 70.3 Langkawi on 17 November 2018, bouncing back less than six months after my accident.

Our lives are like crayons in a box. We can remain a perfect crayon if we stay safely in our box, but we are meant to colour the world. That requires us to go out of the box, and often that means being broken. But a broken crayon can still colour the world.

I turned all of my angst and frustrations into an unrelenting desire to get back up. My body might have been broken, but my mind willed it to heal. I had been given a second chance, and I was determined to make full use of it. Although I had spent three days in the intensive care unit, on the fifth day I was ready to take off my casts and on the sixth day I started to walk. I was discharged after a week. Three months later I was back on my bike, cycling with my club on our usual routes and going on long runs outdoors. I also started swimming again. I registered for an Ironman triathlon race in Malaysia in November 2018. It was not the World Championships but it was my personal world championship race. Completing it would be my sweetest comeback victory.

What did I learn from this accident? One thing's for sure—it reaffirmed my belief all this while that 'nothing goes according to plan'. My intense preparation to compete on the world stage had been dashed in seconds. Accidents, catastrophes and unimaginable changes can render the most detailed of plans useless. The adage goes, "If you fail to plan, you plan to fail." But sometimes planning can lead to failure. I learned that there's a danger in overplanning, especially when I take on major new challenges and when building new business ventures with unproven ideas that go against the status quo.

Sometimes ideas grow in our hearts and minds, taking a free form without any timeline. But in our quest to make our ideas work, we are caught up in the strategic planning and the profit that we expect to achieve. We worry and get stressed and, worse, become trapped in our own planning. When our plans don't turn out the way we want them to for reasons that may be beyond our control, we feel frustrated and flustered. The less resilient among us may give up altogether.

My past experiences have taught me that every well laid out plan, constructed in meticulous detail, can be rendered useless within a few

months of ‘going live’. I’ve also learned that to survive, moving with speed and agility to adapt to rapidly changing external environments, is critically more important than having a ‘great plan’. Underpinning speed and agility is having a foundation of curiosity and purposefulness to keep questioning existing beliefs and assumptions and to have a thirst for learning and constant reinvention. When we take on a new challenge or build an attacker business from scratch, we go against the incumbency of the status quo with its might of inertial force. Incumbents have deep pockets, established brands and distribution channels, scale and capital. The only sustainable advantage that a startup attacker has is speed. The day that a startup moves as fast as an incumbent is the day the incumbent catches up and crushes the attacker with its powerful might.

But directionless speed spells chaos. Contrary to some perceptions, successful attacker startups are not free-flowing hives of creativity in an unstructured environment. Startups need even more structure than established corporate incumbents. But it’s a special blend of structure and precision that allows for high speed. It must thrive on the extremes and not the conventional middle ground of predictability, stability and acceptability. What conventional businesses do in one year, a startup needs to achieve in 30 days. What companies map out as long-term five-year plans, startups must answer existential questions on their purpose for being over the next 30 years.

I’ve learned the hard way that we cannot adopt conventional planning and management approaches when we want to pursue an unconventional venture. Even when we don’t intend to venture into the unknown and want to pursue a conventional steady-as-she-goes business-as-usual strategy, the external market environment today releases X-factors that we simply can’t imagine, let alone plan for. Industry definitions and barriers to entry are crumbling where new existential threats to decades-old business models are emerging in months.

Banks, telecommunications companies and retailers, used to competing head to head with established competitors, defending and gaining several market share points every year, are suddenly confronted

with new existential threats that were not even on the radar the previous year. Among these threats are new payment technologies that bypass the banking system, ‘free’ instant messaging tools with video communications capability that render voice and SMS services virtually obsolete, and thematic e-commerce platforms and direct-to-home convenient delivery services that reduce the need to go to physical stores to shop. These are the result of rapid technology advances, which are going to accelerate even more in the future with the following:

- (a) The rise of artificial intelligence, cognitive automation and quantum computing.
- (b) A reduction in the cost of data storage and computing power, sensors that collect more real-time information that we can imagine, which make it so much easier to set up new entrepreneurial ventures that harness more energy and tenacity than corporate employees can match.
- (c) Fast-changing consumer preferences as hundreds of millions of new customers are connected to the Internet for the first time each year, armed with affordable smartphones that have the computing power of a supercomputer that can beat a chess grandmaster and send men to the moon.

These disruptive threats to conventional businesses are already well-documented. What I want to share in this book is how leaders can respond to them by changing conventional corporate structures and management processes and adopting principles used by entrepreneurs and business builders who are adopting them. “Give ’em a taste of their own medicine,” so to speak. I believe these principles also apply to how we plan our personal growth and development, so that we stand to shape our own destinies instead of being swept away by the undercurrents of the merciless forces of disruptive change.

Through the ups and downs of building new ventures that attempted to disrupt the status quo—from traditional heavily regulated and capital-intensive industries such as airlines with **AirAsia X** to fast-moving Internet technology startups such as video-on-demand services with **iflix**—I’ve learned through many mistakes to adopt a

leadership philosophy that I call **30 Days and 30 Years**. Now I'm back to building another new venture, **Naluri**, in the healthcare sector, to make preventive health much more scalable, affordable, convenient and secure.

30 Days and 30 Years refers to planning time horizons. Conventional planning methods use twelve months for planning and budgeting cycles and performance appraisals and reviews. A longer-term horizon would typically be three to five years. For these, enormous management resources are devoted to detailing strategic plans over the period, with financial statements and cash flows mapped out for each of the 36 to 60 months, in order to create a sense of comfort and confidence that business leaders know exactly where they are going. **30 Days also represents the values of Curiosity and Learning, while 30 Years represents the value of Purposefulness.** I've found that leading with these values has helped me build organizations that can survive and ultimately thrive in today's volatile, uncertain, complex and ambiguous times.

The traditional management approach sets goals and plans strategic initiatives to pursue in twelve-month or three- to five-year time horizons. We invest a lot of time and energy detailing what we are going to do over these periods. We map out risk factors and develop risk mitigation and business continuity plans that give us and our decision-making stakeholders (the Board of Directors and investors) a sense of security and comfort that the team 'knows what they are going to do'.

Management is then expected to 'manage-to-plan'. Executing the detailed steps or initiatives laid out is defined as monitoring the 'variance-to-budget' and sometimes involves coming up with 'corrective actions' to get back on plan if these variances start to become significant.

The danger of this system is that it can create tunnel vision. We become so fixated on the plan that we start to believe in the assumptions we used to formulate it, that somehow the currency and interest rates, the commodity prices and the market demand are going to turn out the way we have forecast because we have invested so much effort in researching them. And when they don't turn out as predicted, they can leave us

psychologically immobile—like a deer caught in headlights. We have missed out on the new things that are emerging along the periphery of our vision because we were too fixated on ‘managing-to-our-own-plan’.

Some people believe it’s important to set clear annual financial targets that are ‘immovable’ or ‘sacrosanct’, and that while external circumstances change, management must find new ways to keep achieving those targets. However, this belief can be limiting in today’s disruptive climate. By focusing on annual sales targets, we may become tuned to continuing with the usual means of earning revenue and miss out on how customer preferences are structurally changing and can make our traditional revenue sources obsolete.

Entrepreneurs aiming to disrupt traditional businesses thrive on attacking industries where incumbents focus mainly on existing sales and services because of the ‘annual budget and plan’ syndrome. Disrupters know the bigger, more resourceful incumbents are not willing to cannibalize themselves, making it easier for tiny gnats to chip away virtually unchallenged, until suddenly those gnats have grown into overwhelming new competitors in just a few years. A satellite television broadcaster earning over RM100 a month from each of its subscribers may hardly be motivated to aggressively pursue an Internet video-on-demand service where consumers would only pay RM10 a month. Why would they encourage their customers to pay them 90 per cent less, especially if their targets are obsessively focused on continuing to earn even more per subscriber?

By now we all would have heard of the great Kodak photography company being disrupted by digital photography that rendered their core business of producing photography films obsolete. The tragedy is that their researchers and engineers were at the forefront of digital photography technology but the leadership was more obsessed with preserving their core film business instead of ‘giving it away’ to consumers through digital photography.

Interestingly, one of the best examples of a traditional business daring to disrupt itself is Netflix. Netflix’s first business model was home

delivery of physical DVDs that its customers ordered. It eventually bit the bullet and moved to online streaming (causing a 75 per cent crash in its share price). The Harvard Business School's Case Study of Netflix (August 2014) details how Netflix encountered challenges and underwent several major strategy shifts, ultimately developing a business model and an operational strategy that were highly disruptive to retail video rental chains. Bold in its move to become a distribution channel for lower profile and independent films, Netflix today is a force to be reckoned with.

The great disruptions of our time rarely ever started as credible threats. In the first few years of Facebook, it was mainly a 'cute' platform for college students to socialize with others and especially to 'poke' one another. No one then could have seen Facebook becoming the largest media juggernaut today, shaking media and advertising conglomerates to the core and even influencing global politics and governments. When Go-jek in Indonesia first started, it was focused on making traditional 'ojek' motorcycle taxis more efficient, but today it may be well on its way to not only disrupting the entire public transportation sector in Indonesia but, more importantly, becoming a payment channel bigger than any banking institution in that country.

These are only two examples of success through disruptive innovation. Successful disruptive startups are bold, vibrant and unconventional. Initially, they often move below the radar, but when they strike they can have a powerful impact on society which even they did not anticipate. I believe these startups are driven by a strong sense of curiosity to try out new ideas and break norms and conventions, and yet they also have a strong sense of purpose to achieve what they have set out to do.

I've always lived my life with curiosity and purpose, the two anchor pillars that run across this book. What does curiosity mean? To me, it is the courage to explore with relentless focus something that we are passionate about and believe in. We've got to be persistent, move fast and also have the humility to learn and unlearn. And to not rest on our laurels when we achieve initial success but to stay hungry, be alert to changes and adapt fast.

Courage, focus, speed, tenacity and humility are the subpillars that underpin and give substance to my version of curiosity. For me, **30 Days** represents the curiosity within which I sprint in today's fast-changing world to grab opportunities as they emerge and make them work. **30 Years** represents a time horizon that allows me to stretch my imagination to define a truly transformative core purpose. It's a much deeper and more meaningful purpose of making a positive difference to the world that we live in and the people that we serve, and not merely to enrich investors or beat or even dominate the competition. Being purposeful can lead to more exciting paths in life and help us get out of the rut of merely existing.

Some of the things I discuss in this book are not so much about building a business but about my adventures and my career path, which illustrate how I lead and live my life. I am driven by curiosity with an overarching purposefulness that always lies beneath the surface.

The **30 Days of Curiosity and 30 Years of Purposefulness** approach extends beyond how we set our budgets, plans and targets. It's a leadership philosophy of embedding curiosity and purpose into many facets of the organization, including the people who drive it. Chapter 1 sets the context for why 30 Days and 30 Years matter. The world we live in is changing so fast that we can't be methodological, rigid and plan only a certain way. We've got to be a lot more flexible, be prepared to deal with all the surprises, and adapt and change course when the situation warrants it. The way to adapt is to be curious and create an advantage out of unpredictability and do things that have never been done before.

The stories of challenging dogma, orthodoxies and the set ways of large incumbents in Chapter 2 show how we must muster the courage to forge ahead with doing something totally new. While we take on the challenge of trying out new and unproven ideas, and break conventions, we must not go ahead without a smart and intense level of preparation and be driven by a strong purpose, particularly to create better customer experience. We're not just building a challenger business, we're also making a difference to customers who could be lured away from large incumbents and spend their money with us for better and more

worthwhile experiences. However, when the new ideas don't work, we must move fast and change our direction to avoid repeating the same mistakes. Chapter 3 is about building a long-term core purpose for the existence of our business and defining core values that can make a positive and meaningful impact on our customers and society. This will keep us on course as we steer our company on the long journey ahead.

Subsequent chapters go into the specifics of the 'how to'—from setting up an organizational structure that will have no ties to the conventional ways of doing things, to hiring the people with the right mindset and a high level of curiosity and purposefulness, to building effective organizational communications with the right balance of speed, empowerment and clarity. The 'how to' parts continue with building real-time, frequent, forward-looking performance management that focuses on helping people to grow and achieve their best.

This can be done by having peers and mentors who can be our sounding board and our mirror to help us reflect and become more action oriented. And then there's the way the company Boards operate. Often the conventional Board meetings lay open the antagonistic and adversarial relationship between Board members and management. How can we infuse an element of curiosity to change how a Board operates? How can Board meetings be made a platform for collective sharing to get insights into how to tackle issues and look forward instead of back?

The final chapter unveils my new mission of building my current startup, Naluri, through which I discovered that there's a whole field of neuroscience that explains curiosity and courage, which gets my adrenaline going on overdrive. While talking about Naluri marks the end of this book, there's certainly more of me to come.

I've enjoyed travelling the world as a professional speaker, sharing my journey and the stories of the businesses that I have helped to build—how they never went 'according to plan' and the many mistakes we made along the way. I love to learn about and share how we can build organizations and teams to succeed and thrive in today's dynamic landscape. I'm still passionate about helping to build new businesses

through my own entrepreneurial ventures, as well as an investor, a Board member and an advisor and I'm still learning every day. With every speaking engagement, Board meeting or mentoring session, I learn just as much, if not more, than my audience through interaction and sharing of ideas based on what works and what doesn't. And more importantly, what works today may not work tomorrow, and a failed idea from yesterday could very well be resurrected tomorrow with a fresh angle.

The very principle of curiosity and purposefulness of **30 Days and 30 Years** means there's not one way or one approach that works. What I've laid out in this book is a distillation of my experiences of building attacker businesses. While I can't see what's out there beyond 30 days, I know these approaches will be rendered obsolete, too. I'm keeping my eyes open and my ears to the ground, and I'm excited to keep learning how we build great teams that come up with the coolest solutions to the biggest problems that positively impact many people. I hope you'll take away some useful ideas that you can implement in your teams.