

## Chapter 12: Leadership

### OB in focus

#### *Richard Branson*

Richard Branson, chair of the Virgin Group since 1973, has attained cult status in the UK as the result of his business exploits, unique personal style and quests for high-risk adventure. By the late 1990s, the Virgin brand had become one of the top 50 brands in the world, and a poll of British consumers at the time showed that 96 per cent had heard of Virgin.

Through Richard Branson's leadership, the Virgin Group has become a diversified grouping of more than 200 privately held companies. The largest of these include Virgin Atlantic Airways, the number two airline in the UK; Virgin Holidays, a vacation tour operator; Virgin Rail, the second largest UK train operator; and Virgin Direct, which offers financial services. Although this is a disparate group of companies, the Virgin brand has under Branson's stewardship been associated with efficiency and high-quality services. According to Branson:

*Virgin is about doing things that really work, not just looking the part. We are passionate about running our businesses as well as we can, which means treating our customers with respect, giving them good value and high quality and making the whole process as much fun as it can be.*

The Virgin Group has sales of over US\$5 billion and employs 24,000 people.

Branson's entrepreneurial bent emerged during his childhood. At the age of 15, he started a magazine called *Student*, which sold 50,000 copies. The venture was so successful that Branson dropped out of school when he was 17 to run his business full time. In 1971, he opened a string of Virgin Records stores that was also successful. In 1984, Branson purchased a Boeing 747 and founded Virgin Atlantic Airways.

Virgin's success has been attributed to Branson's innovative entrepreneurial ideas and his leadership style, which was a radical departure from corporate norms in the 1980s. Branson operated his unwieldy holding company from his private boat, relying on telecommunications to keep him in touch with his managers. Branson's logic behind his remote office was that it gave his subordinates, spread out in more than 25 London buildings, greater autonomy. 'People always want to deal with the top person in the building. So somebody besides me takes complete responsibility. He becomes chairman of that company ... and I can be left to push the group forward into new areas.' Indeed, according to published accounts, one of Richard Branson's greatest virtues was his ability to delegate and allow managers to take control of the pet projects that he conceived and started.

For more information on Richard Branson and the Virgin Group visit Virgin's website at [www.virgin.com](http://www.virgin.com).