

## Leadership

# Mohammed Alardhi: the fighter pilot on taking the controls at Investcorp

Executive chair of the Bahrain-based investment manager has overseen a period of rapid expansion

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If you have flown a ground-hugging fighter jet at 450 knots, where the consequences of a mistake are starkly binary, most other decisions must seem mundane.

But Mohammed Alardhi, who realised his dream of becoming a pilot and rose to be chief of the Omani Air Force, sees a link between his teenage self's need for speed and his current role as executive chair of Investcorp, the fast-growing Bahrain-based investment manager.

"The pushing of the envelope – that's still what I try to do," the 61-year-old says. "I don't think it's adventurous, because you don't want to be adventurous in investing, but taking calculated risks, I guess, is something that is there and calculated risk is what also happened [when I was] 17, 18 years old in the air force."

Alardhi has sat at the controls of Investcorp since 2015, elevated from the board when the group's hyperconnected, deal making founder Nemir Kirdar, friend of presidents, prime ministers and royals, stepped aside. But Alardhi is not alone in the cockpit. Investcorp has a separate non-executive chair of the board and two co-chief executives, who divide day-to-day oversight of global operations between them.

Alardhi plays a strategic role, looking for opportunities and maintaining good relations with policymakers and shareholders. The latter still include many of the wealthy Gulf families, for whom Kirdar first built Investcorp to provide alternatives to vanilla stocks and bonds, and Gulf states such as Qatar, Bahrain and the UAE state fund Mubadala. "I take the road blocks from in front of the firm so . . . people can continue to do their work," Alardhi says.

He wants to dispel any impression that he is a man who leads from the back, from panelled rooms, such as the library in Investcorp's Mayfair office where this interview takes place, or high-level gatherings such as the Munich Security Conference, from which he has just returned.

As a military brasshat, he used to make a point of going flying with the front-line pilots, "just to put yourself in their seats and listen and . . . have people charge at you [with] tough questions on what they're seeing".

Similarly, at Investcorp, he likes

to drop in on those working below chief executive level to gain a better understanding of the strategic challenges, and visit portfolio companies, such as FreshToHome, an Indian digital start-up selling fresh fish and meat to consumers. "You can't not like being part of something like that," he enthuses. Being part of something is itself important to him. "I've never felt that I want to be the best," he says, perhaps because he comes from a large family, the only boy among nine children.

The challenge when Alardhi took over from Kirdar was perhaps bigger than it seemed. The Iraqi-born founder, who died in 2020, was a high-profile investment pioneer, who attracted attention when Investcorp bought into

**\$10.6bn**  
Investcorp's assets  
undermanagement by 2015

luxury brands Tiffany and then Gucci in the 1980s. By 2015, its assets under management stood at \$10.6bn, mainly in private equity, hedge funds and real estate. Investcorp seemed comfortable.

Too comfortable, judged the new executive chair. Alardhi credits his predecessor with building a firm foundation that helped Investcorp survive the shock of the financial crisis. But he says: "To be in just private equity or real estate, to be only in the American market and dependent on the capital of the Gulf. There was so much risk in there." As a younger man, Kirdar would have recognised the danger, his successor believes, but he thought he had "the right formula. Why change it?"

As a non-executive, Alardhi's disquiet about what he calls the "stagnant" three or four years, just before he took over, had been growing. In September 2015, he gathered Investcorp's top executives at The Grove, a country-house hotel outside London, and told them: "You know, if you don't grow, you die."

To the astonishment of some of them, he set a target to increase

assets under management to \$25bn in five years: "People said, 'Why? We're just happy [doing what we do]'. And, 'How are we going to do it? . . . \$10bn took us 30-something years. Now, five years, \$25bn!' It was [about] setting the target or the vision, but it was also [about] changing the mindset from staying where we are [to] 'No. Let's go.'"

Alardhi told his team: "Look, we cannot stay at this scale. It's like being a skinny guy going to box [Mike] Tyson."

Investcorp hit its \$25bn target in 2017, diversifying fast. It now has more than \$50bn under management and a long-term goal of \$100bn. The group has added asset classes, including infrastructure, insurance and credit management, and expanded geographically. Kirdar had persistently declined to target Asia, but Investcorp now has a presence in China and has just opened its first Japan office.

Alardhi remains highly respectful of Investcorp's founder, whose portrait hangs in the London office, opened by Kirdar's friend, Margaret Thatcher, then UK prime minister, in 1984. But Alardhi and his team – still relatively nimble, with only about 500 staff globally – are unlikely to rest on their laurels.

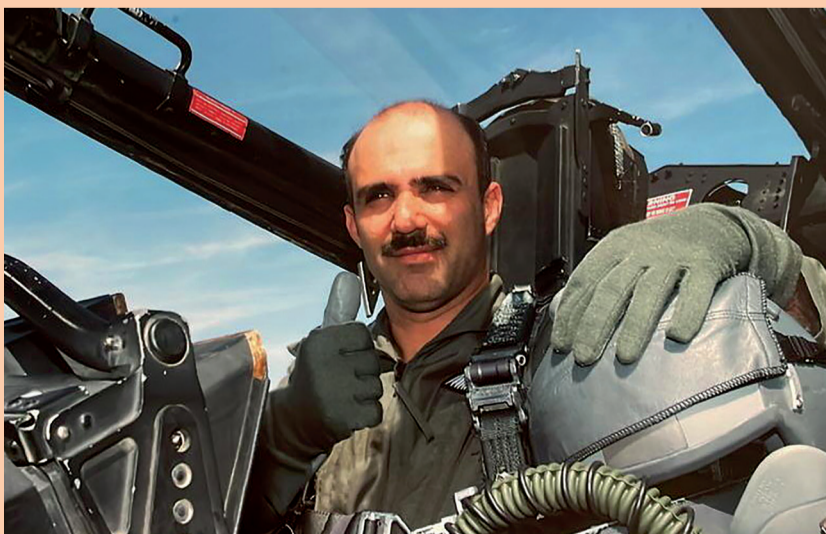
For instance, although the trophy-hunting years of Gucci and Tiffany are behind it, Investcorp did make an unsuccessful attempt to acquire AC Milan, the Italian football club, last year. Alardhi will not say why the talks failed, but nor does he rule out another attempt to invest in European sport, which

he thinks is ripe for expansion. He contrasts the relatively sparse facilities he finds at European stadiums with a trip to see the Brooklyn Nets basketball team with its owner Joseph Tsai in New York. By adding restaurants and shops, "they've really transformed [the experience] to be just a great outing for everyone. And you spend a lot of money."

Alardhi has published two books. One, *Arabs Down Under*, is a lightly fictionalised travelogue-cum-dialectic based on discussions about Islam and the Arab world with an old friend in New Zealand; the other, *Arabs Unseen*, is a collection of interviews with inspirational Arab innovators and pioneers. A third book about leadership is due out this year.

The persistence and self-confidence of the young Omani fighter pilot are still evident. Alardhi admits to some mistakes when he worked for his family's investment company, and to being slow to capture investment opportunities in his home region but not to any significant setbacks.

As a pilot, "you want to be [aware of] where you are in the sky, the dangers around you. Here, you want spatial awareness as a global business all around the world, wherever you are," he says. If he were hiring a top gun to join his investment team, Alardhi says he would be wary of any evidence of a rigid always-obey-orders attitude. "You cannot afford to be inflexible in this life, because . . . things are changing everywhere."



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## Three questions for Mohammed Alardhi

### Who are your heroes?

My late father was my personal hero, not only because he was the best parent one would hope for, but because he was a true leader. I learnt so much by simply observing him. How he led his team, our family and our community at challenging times. How he held himself to the highest standards with so much pride and integrity and how he always made time for me and my sisters. He exposed me to so many responsibilities at a very young age to instil in me the sense of accountability, the joy of achievement and the understanding of leadership.

Another leader that I looked up to was Lee Kuan Yew. I have read most of his work and speeches. He transformed Singapore into the successful modern state it is now.

### What would you be if you were not running Investcorp?

I believe I would be busy creating an ecosystem for entrepreneurship and start-ups in clean tech innovation. There is so much energy among our youth in Oman and the Gulf and it would give me so much joy and fulfilment to connect them with investors and open markets for them around the world.

### First leadership lesson?

The one I learnt from my father on how to lead myself and understand myself well. Growing with self-awareness made me the person I am today. It helped me develop and evolve mentally, intellectually, spiritually and technically. I was never embarrassed to ask questions when I didn't know and never shied away from trying new skills.