

## **Key Discussion Points - No Dream Is Too Big (Mr. Dhammika Perera)**

- I was told to give something to all those who are here. Here is what you can take home mentally:
  - how to keep your family happy,
  - how to keep your organization happy,
  - how to build a happy country.

### ***Family and history:***

- I was born in Katukurunda, Kaluthara in a private nursing home. Let me be brief about certain things: I failed the scholarship exam the first time. When corrected, it was too close to the second exam and I was made to be discouraged.
- My mother refused to let me sell the pumpkin that I had nurtured and identified as my plant. But his father allowed me to sell it, to him. I understood why people are poor: People do not want to make use of simple ways to make money because of family honor.
- While I was studying at Moratuwa University, I rented the Vishaka Hotel in Katubedda and had 40 people working under me.
- Share market:
  - In 1996, Bartleet CEO and another family friend told me to invest in share market. They wanted a 100 million at 18% but I wanted to invest only 1 million. The CEO said he will give another person, of a lower rank to help him learn and this person, Sujith gave him 300,000. He would buy about a 100 shares in each company. In the first month, I only earned 2000, when I was supposed to make 4500 each month. For years, we bought shares in each company, without making any money.

### ***Tips for life***

- The knowledge is what matters, not the money. People buy, but do not research the net assets or dividends of the company. This is why they lose money. One must learn on their own, not depend on others to teach it (even the stockbroker). I do not engage in companies that I do not know about. But if I know the company, I will invest in them. I try to learn something new every day. It does not need to be your own area.
  - Chartered Accountants are the most honest profession. One chartered accountant showed how losses might have been imminent in a presentation to managers, and saved the company money. Knowledge is the real driving force. Accountants have to be all-rounders.
  - Information can be got from anywhere. But you must convert this to knowledge.
- Communicate effectively – simplify the problem so that even a 6-yr old can understand. Do not ramble on. If you cannot convey the problem in 2 lines, then you don't know the problem.
- Look at the bigger problem, break into smaller parts, and solve it. (the car is not broken, it is a part that breaks. This can then be fixed easily)
- Always increase knowledge, ask (relevant) questions and clarify any doubts.

- Getting it right: The question is whether any new project will be 100% successful.
  - Timing is important to get it right (you may have told it, but it may have been told at the right time)
    - Write down the time you started at, for all that you start, and see if they are successful, learn from it.
  - Get the right people for the job. If not, the venture might fail.
  - Right direction: many companies start at the wrong location. Find the location with the right conditions for your company (including temperature).
- Set goals and targets: raise the bar once you reach each goal.
- High standards must be from the beginning – from purchasing onwards, you must focus on getting the best standard so that it pays in the long run (the higher price is for better quality, not just the brand name).
  - We do not think so far about the additional costs when the buildings are not A-class (only WTC and HNB tower are A-class), because the costing is not efficient.
- Prioritizing the work – choose activities that drive the greatest results and ignore the rest. If you are too busy when you are at the top, you are doing something wrong. Delegate your work to those under you who can handle it. At the BOI, I delegated all the work to those below me, so I only had to sign a couple of documents each day, allowing me to focus on strategies and plans for the organization.
- Be passionate – enjoy what you do. Delegate and enjoy more free time, relax. Do not spend too much time at office after hours.
  - We can create the best environment for us.
- Mental and physical balance – look after your employees’ mental health, including with psychotherapy and counseling. Holistic balance needed. We can prove this in about 20-30 years with development of technology.
- Help others – I try to help others using numbers. 17 years ago, I met Dr. Sunil Perera, at the NHSL. Spinal cord operations needed some help back then. But, I asked what else is needed. He said dust was a big problem, and 500 patients died each year. He said he could bring the patients down to 250. So I made the ward to specifications and saved 225 in the next year.
  - We are in talks to bring down IBM Watson, to give cancer patients their 2<sup>nd</sup> opinion free.
  - The second thing we are doing now is “live doctor”. We will donate this too to the government.

Many parents worry about their children’s education but do not know what the child does not know. If the family is happy, the Organization will be happy too. If both are happy, the country will be happy, not if not.

Allocate time to family at least on Sat/Sun. But, if it is essential, you can give 10% of the weekends to work.

## **Q&A session - moderated by Mahendra Jayasekara**

1. Why can't professionals enter the rich list?

I do not have any of the companies that I have an interest in (telcos, etc.). I pitch with trepidation for these because of the changes in technologies and inherent problems in the industry. Softwares have an expiry date, there is massive depreciation, etc. Go beyond what you know and like when you are trying to make money.

2. Is the gut feeling very important in your model? Where is it in your model?

Nowhere, in my model. Knowledge will help you achieve. Sometimes the gut feeling is from the knowledge. I fear gut feelings and instinct. I would never base a large investment on either.

3. Some people say professionals can't work in your companies. What do you say?

Ask the 113 professionals in my companies, they will refute this. Smart professionals always have a place in my company. I do not like it when people acquiesce to everything I say. I want honest input. In fine-tuning, I bring in 60% of contribution through my knowledge and expect 40% from the others. Then I will hold the project thinking I do not have the right people.

4. As a bureaucrat, your mindset would have had to be difficult. When you changed industries, did you have issues with officials/politicians?

If you have the knowledge, and can convey it simply, there cannot be any problems. Even politicians can manage this well as their next 5 years depend on how they work now.

5. Structure in the country: healthcare, education, transportation, etc. all have serious problems. As a bureaucrat, you would have had a good idea of how this is seen by others.

5 million people do not pay taxes (those who are abroad as migrant workers, those driving three wheelers, etc.). There are 2.6 million paying ETF/EPF and they are sponsoring the others (21 million). There should be more companies, to create money, and more people should work. We need to increase those paying EPF/ETF at least by another 1 million. They need a roof under which to work. So we need more hotels more offices etc.

6. Why have you not invested in insurance?

I have, I invested earlier but then exited later. They are only worried about not paying their customers' claims. In one example, the agent removed the term flood and then a claimant faced floods. The idea was not to pay, but I insisted we pay, and paid 25m to people.

7. Do you like listed companies or private companies?

I prefer listed companies because the responsibility is imposed on us by the country. It is better for all.

8. As chairman of the board, you contribute 5% of tax. Gaming industry: would it not be better to exit with the negative connotations?

In the USA, and Singapore, this is seen as a good business. Here, it has negative connotations. I'm confused, and have not thought about it.

9. How would you decide to acquire or invest in a company?

Look at whether they make money, or they have the opportunity to make money. If they do, I go to the next level. Then chartered accountants have their say. I set the limit of 25m and will pay by hand for others if more than that amount.

10. You have 56000 employees. When dealing with them, what is your approach?

I deal with only 25 of the top management. They must deal with the rest. But, I do get a little involved with some worse-case scenarios. But not on a day-to-day basis.

11. You have invested in all sectors. Do you have any enemies?

My enemies: ego, past success. I have to then bring myself down to the level of those without my money.

12. I am a school leaver, and want to be a millionaire. But, others are demotivating me, what would you suggest?

Work somewhere as in a lab at least for a year, and gain knowledge. No investment, but gaining experience. This is important otherwise you cannot be an entrepreneur.

13. Every person has someone behind their success. Who is it in your life?

Mother and wife